

resolution with reference to the fish and game resources on Indian reservations; to the Committee on Indian Affairs.

12. Also, petition of the Vancouver Sales & Appraisers, Ltd., protesting against undue delay in the payment of just claims submitted to the United States Public Roads Administration by the above-mentioned petitioner; to the Committee on Claims.

13. Also, petition of Rabbi Moses Reingewirtz requesting the publishing of his works on Daas H'Totah; to the Committee on the Library.

14. By Mr. GRAHAM: Petition of Butler County Pomona Grange, No. 17, Pennsylvania, opposing compulsory military training in peacetime; to the Committee on Military Affairs.

15. By Mr. MOTT: Petition signed by Mrs. O. W. Hutson and 26 other citizens of the State of Oregon, urging favorable action on the Peterson bill, H. R. 5477; to the Committee on the Merchant Marine and Fisheries.

16. By Mr. JARMAN: Fifteen petitions of 324 citizens of the Sixth District of Alabama protesting against the consideration by Congress of any prohibition legislation; to the Committee on the Judiciary.

17. By Mr. TAYLOR: Resolution adopted by the Board of Supervisors, Saratoga County, N. Y., January 9, 1945, registering its opposition to the creation of a seaway through the St. Lawrence River and Great Lakes and the development and construction of electric power facilities at tremendous cost to the Government, fully unwarranted and unjustified; to the Committee on Rivers and Harbors.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 9, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Dear Lord and Saviour of mankind, to whom our unexpressed hopes are plain and the throbs of our hearts are audible, consider and hear our prayer. We are humbly aware of our low estate and pray that we may come to the riches of the goodness and grace of the Divine as taught by the Teacher of Nazareth. Thou who knowest us altogether, forgive our sins of thought, of imagination, of strength, and of weakness; consume the dross in any unworthy ambitions.

Heavenly Father, many there are who have left our shores and have looked upon our glowing and receding skies for the last time. Fill their cup of loneliness and sorrow with great peace and with the assurance of work well done. God Himself is making the wrath of these sons of liberty to praise Him and become a redemptive force in the affairs of this world. While they are being tested to the last extremity of perils which gather with piercing power, enable us to nerve the centers of our wills against all fears and doubts. O God, give us a larger portion of Thy spirit that we may complete the task entrusted to us in self-surrender, sacrifice, and courage. We pray that we may be made worthy of the tremendous price of freedom, and with the blessed hope of eternal life may face not the night but the morning. In the holy name

of Him whose scepter is love we pray. Amen.

The Journal of the proceedings of Monday, January 8, 1945, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries.

SWEARING IN OF MEMBERS

The SPEAKER. The Chair understands that some Members-elect are present who have not taken the oath of office. If they will present themselves at the bar of the House, they may take the oath of office now.

Mr. LYNDON B. JOHNSON and Mr. ALVIN F. WEICHEL took the oath of office.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—1946 BUDGET

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Appropriations and ordered printed:

BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:
I am transmitting the Budget for the fiscal year 1946 as fighting all over the globe reaches a climax of fury. We on the home front must back our fighting men and women to the limit. That is our supreme duty. At the same time we must look ahead. We must be ready to throw our whole effort into the campaign against Japan as fast as the war in Europe permits. And finally, we must begin plans to transform an all-cut war economy into a full-employment peace economy whenever demobilization becomes possible. Programs for all these developments must be considered in budget planning for a period that extends over 18 months.

We must make sure that our armed forces can plan their procurement programs for continuing global war. I shall transmit detailed recommendations for war appropriations by early spring, in time for the Congress to act on these requests before the beginning of the new fiscal year. I estimate now that 73 billion dollars of appropriations and authorizations will be needed for war purposes for the fiscal year 1946.

If the war develops favorably, unobligated balances of war appropriations no longer required for authorized purposes will be placed in reserve and reported to the Congress for repeal or other action under the provisions of present law.

Actual expenditures of the Federal Government depend largely on the course of the war. I have not made in the past, and I shall not now make, any prediction concerning the length of the war. My only prediction is that our enemies will be totally defeated before we lay down our arms. Depending on various assumptions which may reason-

ably be made with respect to the course of the war, estimates of war expenditures for the fiscal year 1946 range from less than 60 to more than 80 billion dollars. I propose to use 70 billion dollars as a tentative estimate of war expenditures for the fiscal year 1946. I repeat, however—the rate of actual spending must depend on developments on the battle fronts.

For purposes other than war, I am recommending appropriations, in general and special accounts, to cover estimated expenditures of 13 billion dollars.

Total appropriations and authorizations (including reappropriations and permanent appropriations) for war and other purposes reached a peak of 128 billion dollars for the last complete fiscal year that ended June 30, 1944; 97 billion dollars have been appropriated for the current fiscal year; and I estimate now that 87 billion dollars will be recommended to the Congress for the next fiscal year.

Total expenditures for war and other purposes (in general and special accounts and net outlays of Government corporations, excluding debt retirement) were 95 billion dollars during the fiscal year 1944; they are now estimated at 100 billion dollars for the current fiscal year; and, on the basis of the tentative estimates of war expenditures, they will be 83 billion dollars during the fiscal year 1946.

I propose no substantial change in tax legislation at this time. Revenues are expected to decline somewhat under the influence of the estimated decline in expenditures. The Federal debt is estimated to reach 252 billion dollars on June 30, 1945, and 292 billion dollars 12 months later.

The 1946 Budget is summarized in charts and tables following this Message. In the subsequent sections I comment on appropriations, expenditures, and revenues under existing legislation, and make suggestions for future legislation.

THE WAR PROGRAM

EXPENDITURES FOR THE WAR PROGRAM

Early in the war we had the threefold task of building up a new munitions industry in this country, producing the equipment and means of transportation for our expanding armed forces, and aiding our Allies in their resistance against the aggressors. The record today shows that we have spent 28 billion dollars since July 1, 1940, to build munitions factories, cantonments, depots, hospitals, war housing, and for other war construction. Three times the total strength of our Army and Navy at the time of Pearl Harbor is now fighting or deployed overseas. Thirty-six billion dollars of lend-lease aid have been furnished in goods and services to our Allies, who in turn have aided us with approximately 4.5 billion dollars' worth of goods and services.

We have now substantially completed our war construction. Expenditures for war construction, which in the fiscal year 1943 reached a peak of 12.7 billion dollars, are now down to an annual rate

of about 2.5 billion dollars. The development of new weapons and increased need for ammunition still require some new plants and equipment, but total outlays for war construction are declining, as shown in the following table:

WAR EXPENDITURES FOR FISCAL YEARS 1941-45
Including net outlays of Government corporations
[In billions]

Type of expenditure	1941	1942	1943	1944	1945 ¹
Munitions, including ships.....	\$2.3	\$12.7	\$42.3	\$55.6	\$53.8
War construction and war plant:					
Industrial plant and equipment.....	0.8	4.1	6.7	2.6	1.3
Nonindustrial and military construction.....	1.4	3.5	6.0	2.0	.9
Total war construction and war plant.....	2.2	7.6	12.7	4.6	2.2
Pay, subsistence, and other nonmunitions ²	2.2	8.0	20.1	29.5	33.0
Total war expenditures.....	6.7	28.3	75.1	89.7	89.0

¹ Revised estimate.

² Including agricultural lend-lease and other civilian war activities.

We have also substantially completed the initial equipment of the Army and Navy and their Air Forces. Although we have now a Merchant Marine four times its pre-war tonnage, the terrific strain of global war makes necessary some further addition to the cargo and tanker fleet.

Our forces engaged in battles in Europe and Asia expend munitions at a prodigious rate. The main job now is that of replenishing equipment and supplies and of providing our fighting men with the most up-to-date weapons which can be contrived. Some weapons of which we had sizable inventories only a few months ago must now be produced in increased quantities. More than one-fourth of present war production is in critical items. Untimely relaxation in war production spells greater sacrifice in human lives and delays victory.

Expenditures for pay and subsistence of the armed forces still are increasing because of the higher pay for a larger number of soldiers and sailors stationed overseas. Expenditures for mustering-out payments are also increasing as a result of the considerable turn-over in our forces.

The war expenditure estimate for the fiscal year 1946 also provides for continuance of subsidies paid out of funds of the Reconstruction Finance Corporation to assure war output and to stabilize the cost of living. It excludes payments of the Department of Agriculture for the farm price support and related agricultural programs which are discussed elsewhere in this Budget. No allowance is made either for possible addition of new subsidy programs or for discontinuance or reduction of existing programs, although I hope that a reduction will be-

come possible. In accordance with legislation enacted by the last Congress, I shall submit detailed recommendations for these programs at a later date.

War expenditures are expected to decline in the fiscal year 1946; our war construction and initial military equipment are substantially complete, and our supply lines have been filled. The extent of that decline depends on the course of the war. The composition of war expenditures will change considerably in any case.

There has been overoptimistic speculation about the possible cut in war expenditures when major hostilities in Europe end and our main efforts are concentrated on the Japanese campaign. We should make a great mistake if, in our military and budgetary planning, we underestimate the task of defeating Japan. Japan now occupies twice the area which was held by the Nazis in Europe at the peak of their power, an area as large as the continental United States. The population now under Japanese control is more than three times the population of the United States.

The supply lines to the Pacific and Asiatic theater are two and three times the distance to Europe, and the turn-around time for ships has been two-thirds greater. As the battle against Japan mounts, more cargo will have to be shipped over greater distances.

Our task in Europe will not end with the cessation of hostilities there. The war will not be won unless we accept our share of responsibility for the administration of occupied territories and for relief and rehabilitation in the liberated areas. Expenditures for these tasks are part of the war Budget.

APPROPRIATIONS FOR THE WAR PROGRAM

The uncertainties of war require that the budgets of the military agencies be sufficiently large and flexible to permit them to meet all demands that may arise. Adequate appropriations and contract authorizations enable the war agencies to make commitments and to place procurement contracts far enough ahead for industry to plan the various stages of production. On the other hand, we should, of course, also be prepared to adjust our war programs downward if the development of the war allows.

The Congress has placed administrative controls in the Executive Office of the President by granting authority, under legislation expiring June 30, 1945, to limit personnel in the Federal agencies and has reinforced them by requesting reports on unobligated balances of war appropriations.

There is a considerable time lag between the legislative authorization or appropriation for war supply, the obligation or placement of orders with contractors, and the final payment on delivery of finished munitions. The huge authorizations and appropriations voted by the Congress in the early years of the war enabled the war agencies to place munitions contracts for later delivery. We are now paying for deliveries under these contracts. Unliquidated obliga-

tions for the war program totaled 100 billion dollars at the beginning of the fiscal year 1944; they had been reduced at the end of November 1944 to about 66 billion dollars by payment or, in some cases, by cancellation.

Appropriations and authorizations for war purposes, in the general and special 120 billion dollars. For the fiscal year 1945, they declined to 85 billion dollars, and for the fiscal year 1946 are now tentatively estimated at 73 billion dollars. accounts, for the fiscal year 1944 were These totals include reappropriations and contract authorizations required for new obligations. The total war program, measured by such appropriations and authorizations together with net commitments of Government corporations for the fiscal years 1941 through 1946, will total 450 billion dollars, as shown in the following table:

THE WAR PROGRAM
[In billions]

Description	Cumulative from July 1, 1940, to—	
	June 30, 1945	June 30, 1946
Authorizations:		
Appropriations.....	\$362.7	\$423.4
Unliquidated contract authorizations.....	13.1	11.1
Net commitments of Reconstruction Finance Corporation and affiliates ¹	16.5	15.2
Total authorizations.....	392.3	449.7
Expenditures:		
General and special accounts.....	\$279.4	\$348.8
Reconstruction Finance Corporation and affiliates (net).....	9.4	10.0
Total expenditures.....	288.8	358.8
Unobligated balances and unliquidated obligations at end of period....	103.5	90.9

¹ Gross commitments less withdrawals and cancellations, and less receipts from rents, repayments, and sales.

The estimated appropriations and authorizations for war for the fiscal year 1946 are composed of 59 billion dollars of new appropriations and authorizations, and 14 billion dollars of reappropriations of funds previously appropriated for war but not yet obligated. Unobligated balances of prior-year appropriations and authorizations to the Maritime Commission are adequate to carry out the merchant ship construction program as now approved. Detailed recommendations for most war activities will be transmitted in the spring.

These tentative estimates of appropriations include provisions for continuing lend-lease aid to our Allies. They are based on the assumption that the Lend-Lease Act will be reenacted prior to its expiration on June 30, 1945.

About one-sixth of present war outlays are for lend-lease and for relief and rehabilitation. We shall continue to provide lend-lease, and our Allies to provide reciprocal aid, to the full extent necessary to win the war. Lend-lease has been and will be an instrument of war; it will be liquidated with the end of the war. But when the war draws

to a close in any theater, it may become urgently necessary for us to assist in relieving distress in the liberated areas. Appropriations to the War Department make some provision for civilian supply in territories occupied by the Army, but only to the extent necessary in the interest of military operations. For relief and rehabilitation after the battle lifts, the Congress has already authorized 1,350 million dollars as the contribution of the United States to the United Nations Relief and Rehabilitation Administration. To date, appropriations of 450 million dollars and transfer authorizations from lend-lease of 350 million dollars have been made as our share for immediate needs under this program. If the appropriated amount proves inadequate, we must take additional measures, in cooperation with the other United Nations, to make sure that the peoples of the liberated countries have essential relief from the devastation of war.

APPROPRIATIONS AND EXPENDITURES FOR OTHER
THAN WAR ACTIVITIES
AFTERMATH-OF-WAR

In last year's Budget Message, I indicated the inevitable increase of expenditures in the aftermath-of-war category, particularly expenditures for war veterans, interest on the public debt, and tax refunds. Total expenditures for these purposes are increasing from 1.6 billion dollars in 1939 to an estimated 7.2 billion dollars in the current fiscal year, and will probably amount to 9.8 billion dollars in the next fiscal year. This increase arises directly out of the war. The 1946 total is larger than the whole Federal Budget 5 years ago.

Veterans' pensions and benefits.—Although the full impact of the veterans' program will not be felt until the years following demobilization, the total estimated requirements for 1946 of 2,623 million dollars represent about 20 percent of the total appropriations for other than direct war purposes. They are more than double the total appropriated for the veterans' program in the current fiscal year.

Additional appropriations for the current fiscal year will become necessary to cover increased pension costs occasioned by losses in service; to conform with recent legislation increasing coverage and liberalizing payments to veterans of former wars and to their dependents; and to carry out the provisions of the Servicemen's Readjustment Act of 1944. The estimated supplemental appropriations include these items.

Pension costs during the fiscal year 1946 are expected to increase sharply to a total of 1,080 million dollars, and the costs of education, readjustment allowances, and loan guarantees to 295 million dollars. In addition, 1,000 million dollars are provided for losses resulting from the hazards of the war among holders of national service life insurance policies and 85 million dollars for construction and reconditioning of hospital facilities. This hospital construction program (shown in

the Budget under General Public Works), together with Army facilities later to be made available to the Veterans' Administration, may ultimately provide 300,000 beds.

The time and rate of demobilization will greatly affect the expansion of education, readjustment allowance, loan guarantee, and rehabilitation activities of the Veterans' Administration. The number of veterans of the present war will increase until at full tide these veterans will constitute one-tenth of the population and almost one-fourth of the labor force. The responsibility which we are assuming for their jobs, education, medical care, and financial assistance makes it increasingly essential that these programs for veterans be integrated with other programs of like nature affecting the whole Nation.

Interest.—Interest on the public debt is estimated to rise next year by 750 million dollars to 4,500 million dollars. This rise reflects entirely the current increase in the outstanding debt. No change is anticipated in the low interest rates at which the war is being financed.

Tax refunds.—Refunds of taxes are expected to require a total of 2,725 million dollars, an increase of 556 million dollars over the fiscal year 1945. About 1 billion dollars of this total will consist of repayments to wage and salary earners of withholdings in excess of tax liabilities. Another billion dollars reflects the issuance of post-war bonds which cover the refundable 10 percent of the excess profits tax. Other corporate tax refunds are due to the recomputation of the special amortization allowances for emergency facilities certified to be no longer necessary for war production, and to the carry-back provisions of the corporate income and excess profits tax laws. The refunds arising from these provisions for corporate tax relief will reach full volume only in future years.

AGRICULTURE

Agricultural production has continued at record levels for 3 successive war years. Farm income has been more than 135 percent of parity throughout the period. To assure continued production at a high level, I recommend appropriations for the Department of Agriculture, including the War Food Administration, of 512 million dollars. Although this is considerably less than has been appropriated in the fiscal year 1945, the amount available, after adjustment for unused balances, reappropriations, and transfers, will not be substantially less than the amount being used for agricultural purposes in this fiscal year. The appropriations include provision for the Agricultural Adjustment Agency, the Soil Conservation Service, the Farm Security Administration, the exportation and domestic consumption of agricultural commodities, the administration of the Sugar Act, and research and other long-established functions of the Department of Agriculture. They do not include provision for potential net expenditures of either the Commodity Credit Corpora-

tion or the Federal Crop Insurance Corporation. Of the 512 million dollars recommended, 10 million dollars for the War Food Administration are designated for war activities and 10 million dollars are for General Public Works.

Anticipating the needs of returning war veterans and the desirability of providing adequate assistance to small, low-income farmers, I recommend that the borrowing authority of the Farm Security Administration be increased from 67 to 125 million dollars for rural rehabilitation and from 15 to 50 million dollars for the tenant purchase program. I recommend that the borrowing authority of the Rural Electrification Administration be increased from 25 to 150 million dollars in order to permit the extension of electricity to at least part of the 6 million rural families now without such service. I have already given my approval to a recommendation of the War Food Administrator for an increase of 2 billion dollars in borrowing authority of the Commodity Credit Corporation. I shall recommend appropriations for financing the revived program for crop insurance in the very near future.

This agricultural budget is a wartime budget. It does not fully reflect desirable long-time objectives. In the future, we must develop a program to eliminate malnutrition and rural poverty. The Government is committed to support agricultural prices to farmers at a fair level for 2 years after the war. Farmers and the Nation as a whole must be protected from heavy fluctuations in agricultural prices and income, and this must be accomplished without the accumulation of unmanageable surpluses. So long as a large number of people have an inadequate diet, we cannot have a true surplus of agricultural production. We can have only too much of the wrong things.

SOCIAL SECURITY, RETIREMENT, AND EDUCATION

Social security.—Appropriations for administration and grants under the social security program are estimated at 494 million dollars for the fiscal year 1946, an increase of 14 million dollars over the fiscal year 1945. This increase is largely for higher grants to match payments of the States under the Social Security Act.

I hope that the Congress will give early consideration to extension and improvement of our social security system and will reexamine the financial basis of the program.

Retirement funds.—Appropriations for the Government employees' retirement funds are estimated at 247 million dollars for the fiscal year 1946, an increase of 50 million dollars over the current fiscal year. This will reduce the previously accrued liabilities of the Government to these trust funds and will also provide for an increase in the number of employees currently acquiring benefit rights.

Education.—As a part of the Budget for the fiscal year 1946, I am recommending reorganization of the basic

structure of the Office of Education. This reorganization will facilitate service to the States in the development of more adequate educational programs with proper emphasis on all the various aspects of education.

The training and educational programs of the Army, the Navy, and civilian agencies during this war have broadened our conception of the role that education should play in our national life. The records of selective service reveal that we have fallen far short of a suitable standard of elementary and secondary education. If a suitable standard is to be maintained in all parts of the country, the Federal Government must render aid where it is needed—but only where it is needed. Such financial aid should involve no interference with State and local control and administration of educational programs. It should simply make good our national obligation to all our children. This country is great enough to guarantee the right to education adequate for full citizenship.

PUBLIC WORKS

Recommended appropriations under the General Public Works Program in the fiscal year 1946 total 279 million dollars, 93 million dollars more than appropriated for the current year. Balances brought forward from public works appropriations of several years ago are about used up. Even with the recommended new appropriations, the program as a whole will be limited; actual construction will continue to be restricted to those projects which contribute to the war effort. Because of the completion of some of this war-related construction, expenditures are estimated to decrease slightly in the next fiscal year.

I recommend, however, appropriations for the planning of public works which the Congress has already authorized. We must continue to stock up a shelf of meritorious construction and development projects to be undertaken as manpower and material become available. By the end of the current fiscal year, detailed plans will be ready for about 1.5 billion dollars of Federal public works, and also will be substantially ready for a billion-dollar program of Federal-aid highways, half of this road program to be financed with State funds. We need a larger shelf of detailed plans in order to be prepared for the post-war period. Hence, appropriations for 1946 are recommended to make possible the completion of additional plans for highways, flood control, river development, stream pollution control, power transmission, reclamation, hospital, and other construction, as authorized by law. Further requests for funds for detailed planning of Federal projects will be made on Congressional authorization.

Plans have been completed or are in the design stage for about 3 billion dollars of State and local public works, excluding Federal-aid highways. The War Mobilization and Reconversion Act authorizes funds for Federal loans and advances which would make it possible

to place further projects on the shelf of planned public works. The extent to which Federal funds are needed to enable States and localities to plan adequately for useful public works is now being re-examined, and I shall soon transmit a new recommendation concerning funds for these purposes.

In addition, programs are being developed for Federal loans and guaranties to stimulate private construction after the war. Guaranties and loans already available under the Servicemen's Readjustment Act will encourage residential, commercial, and farm building.

GENERAL GOVERNMENT

The civil departments and agencies of the Federal Government have been fully geared to the war effort. Appropriations for other than direct war or war-related activities have been reduced to rock-bottom. When the war situation permits a reduction in the war program, it will also be possible to reduce war activities of the civil departments. Such activities should be curtailed wherever possible. The Bureau of the Budget has been instructed to review currently the activities of the various Government agencies and to recommend such changes as become desirable in light of changing war requirements.

Agencies which will play a leading role in the peace effort must begin preparations for a progressively larger job. I recommend, for instance, an increase in the appropriations for the Department of State in order that it may be more adequately staffed at home and abroad. To prepare for the expected increase in workload, increases in appropriations are recommended for the Bureau of Foreign and Domestic Commerce, the Office of the Administrator of Civil Aeronautics, and a few other agencies.

Recommended appropriations for general Government for the fiscal year 1946 are slightly below those enacted for the current fiscal year. If supplemental appropriations for overtime pay are adopted, requirements for general Government may be somewhat above those for the current year.

GOVERNMENT CORPORATIONS—OTHER THAN WAR ACTIVITIES

Receipts of Government corporations (excluding war activities) will exceed expenditures for purposes other than debt retirement by 27 million dollars in the fiscal year 1946, and by 244 million dollars in the current fiscal year.

The operations of the Commodity Credit Corporation in connection with the farm and food programs require net outlays of 1 billion dollars during the current fiscal year. This assumes a supplemental appropriation of 256 million dollars to restore impaired capital of the Corporation. The estimate for the fiscal year 1946 provides for net expenditures of 572 million dollars which will absorb practically all the funds available to the Corporation under its present maximum borrowing authority of 3 billion dollars. If the Congress approves the pending recommendation for a fur-

ther increase in the borrowing authority, increased operations of the Corporation may result in additional net expenditures in the fiscal year 1946.

Activities of other Government corporations are expected to show smaller net receipts than during the fiscal year 1945. Liquidation of pre-war loans and other assets will probably taper off. Some expansion in the nondefense lending activities of the Reconstruction Finance Corporation is also anticipated. The net receipts of Government corporations, in both the fiscal years 1945 and 1946, reflect substantial transfers of funds necessary to retire outstanding obligations of the Federal land banks.

FEDERAL PERSONNEL

Most of the Federal civilian employees are engaged in essential war work and must stay on the job as long as the war lasts. Government war services have suffered in recent months by departure of personnel, partly because of overoptimism about early victory, partly because of concern about employment opportunities after the war.

The total number of paid Federal employees in the continental United States in November 1944 was slightly under 2,900,000, of whom 2,040,000 were in the War and Navy Departments and other war agencies and 836,000 in the Post Office and other peacetime establishments. The total has declined 126,000 below the peak of June 1943. There will be further reductions as the course of the war permits, but our main concern at the present moment is to keep essential Government personnel on the job.

Anticipated supplemental appropriations for the fiscal year 1946 include about 500 million dollars as an approximation of the additional cost of overtime pay and other salary adjustments, assuming enactment of such pay legislation as the Congress may authorize to replace those present acts which expire June 30, 1945. This allowance has not been allocated among the detailed war and other appropriation estimates to which it relates. The Budget estimates of personnel needs, expressed in "man-years," do, however, assume continuance of the present workweek, generally 48 hours. Under the War Overtime Pay Act of 1943, salaried employees are compensated for hours worked in excess of 40 a week. With but minor exceptions, basic salary rates have not been increased during the war.

In contrast to salaried employees, the skilled and unskilled workers, such as those in navy yards and arsenals, have had wage adjustments which have approximately kept pace with wage rates for comparable work in private industry. They have also received overtime pay at true time and one-half rates.

The third large category of Federal employees—the postal workers—in addition to receiving overtime compensation at straight-time rates, has been granted a wartime bonus.

Prior to the expiration of the overtime pay law, the Congress should reexamine the entire subject of hours of work and

pay. Regardless of the progress of the war in Europe, many Federal employees will continue to be needed on a 48-hour work schedule, and provision must be made for their overtime compensation. I recommend that the Congress enact permanent legislation which would authorize overtime compensation at true time and one-half rates.

When at some future date it becomes possible for most Federal employees to go on a 40-hour workweek, their earnings will be materially reduced. A situation of hardship and unfairness will then exist unless an increase in basic salary rates has been granted in recognition of the rise in the cost of living. I recommend a prompt reexamination of Federal salary rates with a view to making adjustments consistent with the national stabilization policy.

BUDGET TOTALS

The discussion of expenditures for the war and for all other purposes lays the basis for presenting the Budget totals and for an analysis of the impact of the Federal Budget on the national economy as a whole.

EXPENDITURES

Of the total estimated expenditures, including net outlays of Government corporations, of 83 billion dollars for the fiscal year 1946, 84 percent are for direct war purposes; 12 percent are for veterans, interest on the public debt, and tax refunds; and only 4 percent for all other activities of the Federal Government. Expenditures in this last group of "other activities" are estimated at 3.3 billion dollars, somewhat less than for the current fiscal year; they are only about one-half of what they were in the years before the start of the defense program—largely because of the reduction in work relief, aids to youth, and general public works.

NET RECEIPTS IN THE FISCAL YEAR 1946 UNDER EXISTING LEGISLATION

Net receipts in general and special accounts under existing legislation are expected to decline from 45.7 billion dollars in the current fiscal year to 41.3 billion dollars in the fiscal year 1946. This development reflects, in large part, the 17-billion-dollar decrease in expenditures estimated in this Budget. Such a decrease in expenditures before full reconversion to civilian production will mean smaller individual incomes and corporate profits. This, in turn, will bring a decrease in receipts from individual income taxes and from corporate taxes. Because the present law will expire June 30, 1945, receipts from recovery of excessive profits from renegotiated war contracts will taper off during the fiscal year 1946. I recommend that the Congress extend the authority to renegotiate war contracts.

Receipts from excises and customs are expected to continue at about the same level in the fiscal year 1946 as in the current fiscal year. Sales of surplus Government-owned war supplies and property are beginning to yield substan-

tial amounts. These receipts will be still larger in later fiscal years.

RECOMMENDATIONS FOR TAX LEGISLATION

Wartime taxes must be maintained as long as large-scale war expenditures are necessary. There is no justification for tax reductions as long as we are engaged in a major war. When a favorable development of the war allows a major decline in war expenditures, minor tax adjustments will become possible and desirable. I am pleased that the Joint Committee on Internal Revenue Taxation is studying the tax problems of the transition and post-war period.

BORROWING IN THE FISCAL YEAR 1946

Borrowing requirements during the fiscal year 1946 will amount to an estimated 40 billion dollars, compared with 51 billion dollars in the current fiscal year. Federal trust funds will have 5 billion dollars available for investment in Government securities, thus leaving 35 billion dollars to be borrowed from individuals and financial and other institutions. These estimates assume that the Treasury general fund balance, which amounted to 20 billion dollars at the end of the fiscal year 1944, will be reduced by 5 billion dollars during the current fiscal year, and by 2 billion dollars during the fiscal year 1946. They also assume that retirement of guaranteed obligations of Government corporations held outside the Treasury will be almost completed by June 30, 1945.

These large borrowing operations will require a further rise in the public debt to 292 billion dollars on June 30, 1946. Before the debt reaches this figure, a further increase in the 260-billion-dollar debt limit will be necessary.

Management of the public debt has become one of the major financial operations of the Government. To assure effective discharge of these responsibilities and, in particular, to maintain the present low rates of interest, ample powers must be available to the monetary authorities. I shall later recommend legislation reducing the present high gold-reserve requirements of the Federal Reserve banks.

The management of the public debt is bound to have a profound influence on the economy for a long time to come. Retaining high taxes on the masses of consumers for general reduction of debt held by financial institutions may destroy purchasing power and create unemployment. But the use of progressive taxes for the redemption of bonds held by millions of individual savers may have a stabilizing influence on incomes and employment. I favor a policy of orderly but steady debt reduction, consistent with the objectives of long-run economic policy. The mistakes in debt management and tax policy after the last war should not be repeated.

ECONOMIC CONTROLS AND RECONVERSION RECONVERSION

As long as we are at war—at war against two powerful enemies or against only one of them—we will give unquali-

fied priority to all war production and to all manpower needs of war. Nevertheless, some reconversion of war industries may become possible, dependent on the progress of the war.

The foundation for dealing with the main reconversion problems has been laid by the Contract Settlement Act, the Surplus Property Act, and the War Mobilization and Reconversion Act; the machinery for the administration of these acts is being put in operation. Still, a great many problems remain to be solved if we are to be ready for successful reconversion. We may have a scarcity of manpower in certain industries and regions, while temporary unemployment may develop in others. We may have surpluses of some commodities and a downward tendency in certain prices, particularly of raw materials, while scarcities cause a continuing upward pressure on other prices.

The human side of reconversion requires effective organization to aid each discharged war veteran and war worker to find his way back into productive peacetime employment. As far as veterans are concerned, the basis is laid by the Servicemen's Readjustment Act. I have already emphasized the need to strengthen our social security program. With respect to the reconversion period, I am particularly concerned over the fact that broad categories of workers are not covered by present legislation and that present standards for unemployment compensation are not adequate in many States. To promote employment opportunities and to assure the proper occupational adjustment of returning veterans and war workers, a strong, integrated system of public employment offices is a basic necessity. We can best accomplish this objective by the establishment, through permanent legislation, of an effective national employment service with adequate coverage throughout the Nation. For the reconversion period we should provide assistance for travel and retraining of war workers.

We must also see to it that our administrative machinery for the adjustment of labor disputes is ready for the strains of the reconversion period. We must apply some of our wartime lessons in labor-management cooperation in working out a sound long-range labor policy implemented by permanent mediation machinery for the adjustment of labor disputes.

The material side of reconversion should also be conducted with a view toward the long-range objectives of economic policy. Surplus property disposal should contribute to filling the needs of production, domestic and foreign. It should be carried on with full recognition of the objectives of price stability.

Every effort should be made to achieve full civilian use of plants built for war purposes when they are no longer needed for war production and to facilitate their rapid transfer to private industry for productive use. If prompt transfers of ownership cannot be made, temporary lease arrangements may facilitate early

productive use while permanent arrangements for transfer are being worked out.

Statistical information concerning business activities and markets, employment and unemployment, incomes, expenditures, and savings is urgently needed as a guide for economic policies during the remainder of the war and during the reconversion and post-war periods. I recommended appropriations for this purpose to the last Congress. I shall transmit recommendations in the near future for those essential parts of the program on which the Congress took no action. Business, agriculture, labor, and the Government need to know the basic economic facts if each is to play its role with maximum effectiveness during the months and years ahead.

INTERNATIONAL FINANCIAL PROGRAMS

As the war progresses, we must hasten our plans to secure world-wide economic cooperation in both the transition period and the post-war period. We have learned that just as the United States cannot afford to be isolationist in its political philosophy, neither can it stand the malignant effects of economic isolationism.

Last July the United Nations Monetary and Financial Conference formulated articles of agreement for the establishment of an International Monetary Fund and an International Bank for Reconstruction and Development. These institutions will be integral parts of a broad program for cooperation among the United Nations in those areas of economic contact where failure to adopt common policies will result in economic "spite fences," economic waste, and economic warfare.

A concrete program for international monetary and financial cooperation at an early date is essential. In the first place, all countries agree that a solution must be found for the evils that stem from the unstable and destructive exchange practices which the Fund is designed to eliminate. Second, the need for international investment is already becoming acute. The liberated countries will require loans for the reconstruction of their industry, their transport, their cities, their agriculture, and their trade. The International Bank will make direct long-term loans out of its capital or from borrowed funds, and particularly will guarantee private loans for these purposes. While the proceeds of these loans will be spent to procure equipment in the countries where it is available, the risks of lending will be spread equitably among all member countries.

It is therefore imperative that both the Fund and the Bank be established at once in order that they may be properly staffed and equipped to cope with problems which are already developing as the countries in Europe are liberated. Accordingly, I urge acceptance of the agreements and recommend the enactment of legislation which would permit the United States to make its proportionate investment in the Fund and the Bank.

In addition to the operations of the International Bank, there will continue to be many types of foreign investment in which a national financial institution such as the Export-Import Bank should participate, especially during the next few years when the foreign demand for our products will be particularly heavy. The Export-Import Bank will provide short- and medium-term credits to finance our exporters. It will also undertake long-term lending for reconstruction and development in cases where special American purposes are to be served and other countries may not wish to participate. In collaboration with private banks, manufacturers, engineers, and exporters, the Export-Import Bank has had 10 years of successful experience in these fields. At present its resources available for new operations are very limited. In order that it may play its part in the reconstruction period, I recommend early expansion of its lending power.

At present our foreign investment programs are impeded by legislation which restricts loans to those countries which are in default on loans arising out of the first World War. For both the International Bank and the Export-Import Bank to operate effectively, as well as to achieve an adequate flow of private investment, it is essential that these restrictions be removed.

NATIONAL INCOME, PRODUCTION, AND ECONOMIC CONTROLS

The American Nation has almost doubled its total output of goods and services under the impact of the war program. Slightly less than one-half of this total output is purchased by the Federal Government. What is left for civilian consumption has been sufficient to provide most of us with better living standards than prevailed before the war.

The national economy is operating at extremely high levels of income and expenditure. Despite wartime taxes and large wartime savings, consumers and business have sought to buy more than the available supply of goods and services. Nevertheless, prices have been substantially stabilized through vigorous application of our stabilization program and the cooperation of the American people. Whereas the cost of living has increased by between 25 and 30 percent since 1939, it has risen only about 2 percent since the "hold-the-line" order of April 1943. Holding the line on prices and wages has prevented, and is still preventing, inflationary developments.

The reduction in war expenditures, which I hope the progress of the war will permit during the next fiscal year, will result in somewhat lower wartime incomes, even if wage ceilings are adjusted upward to avoid reduction in average hourly rates when overtime is curtailed. Nevertheless, the demand for goods and services will undoubtedly still be great and we can be sure of eager buyers for whatever durable goods industry might produce.

When war production is extensively reduced some of the controls which were

needed in an all-out war economy can be relaxed, although other controls must be continued to assure necessary war production and orderly reconversion. For example, we must avoid speculation in inventories such as contributed to the inflation after the last war. The fact that many businesses and individuals have ample funds for a buying spree necessitates caution in relaxing controls. The balance between incomes, savings, and expenditures will still be precarious during the reconversion period. It will therefore be necessary to retain the machinery for allocation and price controls as long as certain materials and finished goods are in short supply. I therefore recommend extension of the Economic Stabilization Act before its expiration on June 30, 1945.

In general, it will be our policy to hold the over-all cost of living and to permit only such adjustments as are conducive to the full utilization of available resources and compatible with the general objective of economic stabilization. As long as we are engaged in a war with desperate and resourceful enemies, war controls are needed, but they must be readjusted to changing levels of war production and civilian production.

DEMobilIZATION AND POST-WAR FULL EMPLOYMENT

Large-scale demobilization can hardly be expected to begin during the period covered in this Budget. Nevertheless, as we continue to mobilize for a long, hard war, we must under no circumstances be caught unprepared for peace.

Under the impact of a huge war program, we are employing 52 million men and women either in war production or in production and service for civilian purposes, while another 12 million are serving in the armed forces. After the war many of them will retire or resume their schooling or devote themselves to their homes and families. But such reduction in the civilian labor force will be more than offset by demobilization of our armed forces and by the natural growth of the population of working age. Thus, before long there may be 60 million men and women to be employed. Huge war expenditures have brought full employment, more than full employment. What will be the outlook when Federal expenditures are 50 and 25 billion dollars in the period of demobilization and thereafter?

The following table shows the operations of our national economy—the Nation's Budget—in the calendar year 1939 with considerable unemployment, and the same operations in the calendar year 1944 when we had moved to a much higher level of incomes, expenditures, and savings, involving more than full employment under the stress of war. Manifestly, full employment in peacetime can be assured only when the reduction in war demand is approximately offset by additional peacetime demand from the millions of consumers, businesses, and farmers, and by Federal, State, and local governments. And that means that

consumers' expenditures and business investments must increase by about 50 percent, measured in constant prices, above

the level of the year 1939 if full employment is to be provided by private enterprise.

THE GOVERNMENT'S BUDGET AND THE NATION'S BUDGET
Calendar years 1939 and 1944
[Current prices,¹ in billions]

Economic group	Calendar year 1939			Calendar year 1944		
	Receipts	Expenditures	Excess (+), deficit (-)	Receipts	Expenditures	Excess (+), deficit (-)
CONSUMERS						
Income after taxes.....	\$67.3			\$132.8		
Expenditures.....		\$61.7			\$97.0	
Savings (+).....			+\$5.6			+\$35.8
BUSINESS						
Undistributed profits and reserves.....	\$8.3			\$12.3		
Gross capital formation.....		\$10.9			\$2.6	
Excess of receipts (+) or capital formation (-).....			-\$2.6			+\$9.7
STATE AND LOCAL GOVERNMENT						
Receipts from the public, other than borrowing.....	\$8.9			\$10.4		
Payments to the public.....		\$9.1			\$8.8	
Excess of receipts (+) or payments (-).....			-\$0.2			+\$1.6
FEDERAL GOVERNMENT						
Receipts from the public, other than borrowing.....	\$6.5			\$47.9		
Payments to the public.....		\$9.3			\$55.0	
Excess of receipts (+) or payments (-).....			-\$2.8			-\$47.1
Less: Adjustments ²	\$2.4	\$2.4		\$5.9	\$5.9	
TOTAL: GROSS NATIONAL PRODUCT						
Receipts.....	\$88.6			\$197.5		
Expenditures.....		\$88.6			\$197.5	
Balance.....			0			0

NOTE.—For details and explanation see appendix 10, pp. 830-831.

¹ Prices in 1944 were between 25 and 30 percent above 1939.

² Mainly Government expenditures for other than goods and services.

Consumers' purchases of durable goods, business nonwar investments, and capital outlays of the governments for nonwar purposes have been so low during recent years that a large backlog of demand will be carried over into the post-war period. Individuals, however, will buy the new car or build the new home only if they feel secure in their jobs; businessmen will expand plant and buy new machinery only if they feel confident of profitable markets for additional products.

The American people have learned during the war the measure of their productive capacity, and they will remember that experience in the peace to come. It is the responsibility of business enterprise to translate market opportunities into employment and production. It is the responsibility of the Government to hold open the door of opportunity and to assure sustained markets. Then and only then can free enterprise provide jobs.

Full employment after the war is not only a matter of immediate self-interest, but also part of our stake in world stability and prosperity. Other countries are anxiously awaiting the development of our policy and will be more willing to make international commitments if they are assured of high post-war employment in the United States. They are fully aware that international coopera-

tion cannot succeed unless the United States is prosperous.

We must attack the employment problem on every front.

For instance, we must overhaul the wartime tax structure to stimulate consumers' demand and to promote business investment. The elements of such a tax program should be developed now so that it can be put into effect after victory.

We must make sure that there are opportunities for new and growing business. The national and international policies which we adopt now—affecting trade, credit, investment, and competition and monopoly—largely determine future business and employment opportunities.

We must develop the human standards and material resources of the Nation, which in turn will tend to increase our productivity and most effectively support business expansion and employment. Our program should include provision for extended social security, including medical care; for better education, public health, and nutrition; for the improvement of our homes, cities, and farms; and for the development of transportation facilities and river valleys. We must plan now so that these programs can become effective when manpower and material are available.

I shall from time to time submit to the Congress recommendations for legislative

measures to implement our demobilization program and to assure jobs for all returning war veterans and discharged war workers.

Our productive achievements during the war have demonstrated once and for all the progress which this Nation can support, the progress which will be required if all our resources are to be put to adequate peacetime use. The war, however, will also leave us deep distortions in our economic life which must be overcome. We owe it to those who give everything that we set our sights as high for peace as we set them for war.

FRANKLIN D. ROOSEVELT.

JANUARY 3, 1945.

NATIONAL PATENT PLANNING COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying documents, referred to the Committee on Patents and ordered to be printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Second Report of the National Patent Planning Commission.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 9, 1945.

COMMITTEE ON SELECTIVE SERVICE OCCUPATIONAL DEFERMENT OF OFFICERS AND EMPLOYEES OF THE LEGISLATIVE BRANCH

The SPEAKER. Pursuant to the provisions of Public Law 23, Seventy-eighth Congress, the Chair appoints as members of the Committee on Selective Service Occupational Deferment of Officers and Employees of the Legislative Branch of the Government the following Members of the House: Mr. MAY, Mr. THOMASON, Mr. ANDREWS of New York.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Montana [Mr. MANSFIELD] be permitted to address the House for 45 minutes on Monday next at the conclusion of the legislative program of the day and following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

COMMITTEE ON MILITARY AFFAIRS

Mr. MAY. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs be permitted to sit during the sessions of the House for the remainder of this week.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. SABATH. Mr. Speaker, I call up House Resolution 50 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Appropriations, acting as a whole or by subcommittee or committees thereof appointed by the chairman of such committee for the purposes of this resolution, is authorized effective January 4, 1945, to conduct such studies and examination of the organization and operation of any executive department or any other executive agency (including any agency the majority of the stock of which is owned by the Government of the United States) as the committee may deem necessary to assist it in connection with the determination of matters within its jurisdiction.

For the purposes of this resolution, such committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpoena or otherwise, and to take such testimony and records as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or subcommittee, or by any person designated by him, and shall be served by such person or persons as the chairman of the committee or subcommittee may designate. The chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses.

Mr. SABATH. Mr. Speaker, later I shall yield to my colleague the gentleman from Illinois [Mr. ALLEN], the ranking Republican Member of the Committee on Rules, the usual 30 minutes.

Mr. Speaker, you have heard the reading of the resolution. I shall only briefly explain the need for immediate action on it.

Originally, it was contemplated on the part of the leadership of the House that we would not extend or create any new investigating committees, but in view of conditions, here being several outstanding committees which already have the power to investigate and which have rendered the House and the country a real service, we came to the conclusion that some of the committees such as this committee, Mr. WOODRUM's committee, and also Mr. PATMAN's Small Business Committee, Mr. RAMSPECK's Civil Service Committee, and Mr. COLMER's Post-war Policy and Planning Committee, should be granted extensions, as well as granting the Committee on Education the opportunity to finish its work within the next 30 days, in accordance with a resolution introduced by the majority leader the gentleman from Massachusetts [Mr. McCORMACK].

I repeat that many of the investigating committees have rendered the House and the country great service. I am pleased to say that the Committee on Appropriations has rendered an extraordinary service. Before the Committee on Rules favorable action on this resolution was urged by three watchdogs of the Treasury, the gentleman from Missouri, the chairman of the Committee on Appropriations [Mr. CANNON], the gentleman from Virginia [Mr. WOODRUM], and the gentleman from New York [Mr. TABER]. When these three gentlemen appeared in behalf of the resolution,

the membership of the Committee on Rules felt that it had a real duty to perform, and should comply with the unanimous request of the Committee on Appropriations.

I myself feel that we should not extend the life of a committee or create new committees unless conditions actually warrant it.

Of course, unlike my friend from Missouri, the chairman of the Committee on Accounts [Mr. COCHRAN], I have favored investigations. I think some investigations have brought real results. Some have not because the committees have not confined their investigations within the terms of the resolution under which they were created and have proceeded beyond the intent of the Congress. But some day in the future I will speak on that point. In view of the message which we have just heard read by the Clerk, and especially in view of the tremendous sums which will be required for war and other purposes, I do not feel that we should spend a single dollar unnecessarily. But on the other hand I think it is bad policy to be pennywise and pound-foolish in curtailing or not authorizing investigations which result in savings to government. In this case the committee still has over \$50,000 left from the original appropriation.

Mr. CELLER. Which committee?

Mr. SABATH. The Committee on Appropriations. That is the committee of which I am speaking.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I am glad to yield to the gentleman.

Mr. COCHRAN. The committee has not a cent because it expired at the end of the last Congress and the money reverted to where it belonged.

Mr. SABATH. Then I stand corrected with respect to that. I will say this, the committee has not expended more than one-half of the amount which the gentleman from Missouri and his committee originally recommended and which the House authorized.

Mr. COCHRAN. I will say I was not here when it was voted.

Mr. SABATH. I presume if you had been here you would have joined with the other members of your committee.

Mr. COCHRAN. No; I would not have.

Mr. SABATH. I have the utmost confidence in the gentleman's desire to safeguard the expenditures and interests of the Government. I have always recognized and appreciated the great services he has rendered by which he has saved thousands upon thousands of dollars in investigation expenditures which were not necessary. But as I said in this case, and in the four or five other cases which I mentioned, I think there should be no objection, and that the extension should be granted because a real service has been performed by these committees.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. CELLER. Will the gentleman explain to the House how this proposal can be deemed consistent with the position of the so-called Monroney committee

which seeks to streamline the activities of the House?

Mr. SABATH. Because that committee may not report for some time while this committee has, I think, 11 or 12 members who are waiting to be authorized to continue its investigation, and in addition, the Committee on Appropriations is waiting for the report from these experts of the committee which the Monroney resolution aims to create, so that they may effect the saving of a great deal of money to the Government. I am informed that the expenditure of the \$50,000 by the Committee on Appropriations has saved the Government millions upon millions of dollars. I hope that when the committee will continue again it will examine into the expenditures of the War Department with respect to the number of civilian employees and as to the needs of many officers who are stationed here and who may be seen at all hours of the day and night in hotel lobbies, cocktail lounges, restaurants, and places of entertainment. I think we can lop off a good many millions of dollars if these officers are assigned to the field, and civilians perform the clerical work now being done by these officers of high and low rank.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I cannot resist yielding to my old friend, the gentleman from Pennsylvania.

Mr. RICH. You referred to the President's message. Did you see anything in it where he suggested economy? The gentleman heard the great amount of money asked for—\$83,000,000,000. Do you not think it would be a matter of economy to let the gentleman from Virginia [Mr. WOODRUM] and the gentleman from New York [Mr. TABER], and other members of this committee try to find out how they can cut down on this great amount that the President has recommended? It seems to me that the recommendation is unwise for these expenditures because he does not say one word as to where you are going to get the money.

Mr. SABATH. I expected that question and I would have been really disappointed if the gentleman had not raised the question of "Where are we going to get the money?" But in view of the fact that the country is so prosperous, everybody having more money than they ever had before in the history of the country, I think the income will increase and the money will be forthcoming. I hope the gentleman will not worry so much in the future as to where we will get the money. We are going to get it without doing any injury to the great surpluses and reserves of corporations throughout the land.

Mr. RICH. Mr. Speaker, will the gentleman yield for one more question?

Mr. SABATH. I cannot yield further. I promised other gentlemen some time and also time to the chairman of the Committee on Appropriations.

Mr. RICH. Will the gentleman yield for just one question?

The SPEAKER. The gentleman from Illinois declines to yield.

Mr. COCHRAN. The gentleman from Illinois promised me 10 minutes.

Mr. SABATH. I am sorry I cannot yield at this time. I am trying to keep my word to give time to all who desire to be heard on this side.

I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], the ranking minority member. I am pleased to have him here.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman from Illinois is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, this resolution should take but a few minutes of the time of the House. As you know, last year we gave the Appropriations Committee power to investigate the war efficiency and war economy among the Government departments.

The gentleman from Missouri [Mr. CANNON], chairman of the Committee on Appropriations, the gentleman from Virginia [Mr. WOODRUM], the gentleman from New York [Mr. TABER], in fact, the entire membership of the Appropriations Committee favor this resolution, favor continuation of this authorization. This work has been conducted in a nonpartisan way and I believe there should not be a vote against the resolution.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. RANKIN. This is merely to authorize the Committee on Appropriations to investigate the governmental agencies for which its appropriations are made.

Mr. ALLEN of Illinois. That is true. Mr. RANKIN. It has nothing whatsoever to do with the jurisdiction of the Committee on Un-American Activities.

Mr. ALLEN of Illinois. Nothing whatsoever.

Mr. RANKIN. I thank the gentleman. Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. RICH. I wanted to ask the gentleman from Illinois [Mr. SABATH] a question. He said we were going to have all the funds necessary to take care of these obligations. The President, however, in his annual message stated that the national debt on June 30, 1945, will be \$292,000,000,000. The President over the past few years, especially when I was away from here, repeatedly requested a raising of the debt limit. It finally was raised to \$260,000,000,000 and now he requests that you raise the debt limit to we know not what point. If the gentleman from Illinois [Mr. SABATH], or anyone else who has any regard for the welfare of the Nation and keeping it out of bankruptcy does not realize that in the future we must try to take care of the country's debt, then neither he nor I know anything about finances whatsoever.

Mr. ALLEN of Illinois. I may say to the gentleman from Pennsylvania that one of the purposes of this resolution is to bring about greater efficiency and economy in the executive departments.

Mr. Speaker, I reserve the balance of my time.

Mr. SABATH. Mr. Speaker, I yield to my genial friend, the watchdog of the

Treasury, the gentleman from Missouri [Mr. COCHRAN] 10 minutes.

Mr. COCHRAN. Mr. Speaker, everyone is agreed that this House must have a division of fiscal investigation to secure information in reference to appropriations and the necessity for authorizations that will enable all our committees to assail the appropriation requests of the executive branch of the Government. I also believe it is necessary for us to have an outstanding research division to assist the Members of the House as well as the committees of the House. With these we will be able to increase our value as public servants.

The objective of this resolution, if it is to bring about a savings in expenditures, cannot be assailed but the question is: What is the best way to reach the objective?

I contend we do not need this resolution to accomplish what is desired. The Committee on Appropriations is in a position at any time to bring in a resolution providing for an appropriation to set up an investigating division, an investigating division not only to serve the Committee on Appropriations but the entire Congress.

If there is one problem that must be approached by the Monroney-Maloney committee it is this subject as well as establishing a research division.

I have in my hand the Budget and Economy Act of 1921. Those responsible for that act had the thought in mind that Congress should have an investigating committee, and they embodied in that act a provision authorizing an investigation division in the Comptroller General's office. The Comptroller General's office, as you know, represents the Congress, not the executive branch of the Government. This is law now.

I quote from the Budget and Accounting Act, paragraph B of section 312:

(b) He—

Meaning the Comptroller General—

shall make such investigations and reports as shall be ordered by either House of Congress or by any committee of either House having jurisdiction over revenue, appropriations, or expenditures. The Comptroller General shall also, at the request of any such committee, direct assistants from his office to furnish the committee such aid and information as it may request.

This law also gives the power to the Comptroller General to secure the information. I quote section 313:

SEC. 313. All departments and establishments shall furnish to the Comptroller General such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the Comptroller General, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department or establishment.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I cannot yield unless the gentleman gets me some more time.

All the Appropriations Committee has to do is to bring in a resolution appropriating money and instructing the Comptroller General, Mr. Warren, with whom the majority of the Members served in this House, to follow out the provisions of the Budget and Accounting Act, and set up an efficient investigating division.

If you do that, all the Appropriations Committee, or any other committee of the House, has to do is to call Mr. Warren over the telephone and instruct him to send down 2, 4, 6, 8, 10, or 12 investigators to the committee for assignment to conduct investigations. Under the law, he, as our agent, must and will respond.

Mr. Warren appeared before members of the Appropriations Committee. The chairman was present with other members of that committee. I arranged the conference. The gentleman from Texas [Mr. LANHAM], who has shown an interest in this matter for several years, was also present. We discussed this subject for several hours, and I thought when I left the room that we sold the Appropriations Committee on the idea of giving Mr. Warren money to carry out the provisions of the Budget and Accounting Act and set up an investigating division.

In that same act there is provision for the Director of the Budget, an agent of the President, to set up an investigating division in his office. What have you, the Appropriations Committee, done? You have given the Director of the Budget several hundred thousand dollars annually for a number of years to set up this investigating committee. It is functioning today and has been for some time. The money for that purpose is carried in the annual appropriation bill. Think of it. You give the money to the executive branch of the Government to investigate, then you deny the Congress money for an investigating division. There is the situation that exists at the present time.

The Appropriations Committee undoubtedly needs such service. I am willing that you get it, but there are other committees of this House that are entitled to the same consideration; and if the Appropriations Committee will give Mr. Warren the money to set up a division of investigation, my committee and any other committee of the House can call Mr. Warren on the telephone and get his investigators to remain until they have completed the job assigned to them. As I have shown, the provisions of the law instruct Mr. Warren to detail to committees of this House and the Senate investigators when called upon to do so.

Mr. Speaker, the chairman of the Appropriations Committee made a report to the House, which I think will be found in the last issue of the CONGRESSIONAL RECORD of the Congress just closed, on expenditures during the last Congress. Less than half of the money that the committee spent—and it spent around \$50,000—was used to employ men and also to pay their expenses for traveling and subsistence. The balance of the money was spent—listen to this—to reimburse Government departments and agencies that detailed their employees to

the Committee on Appropriations. In other words, the Committee on Appropriations secured assistance from the executive branch of the Government, part of which it was investigating, to make an investigation. I do not say, because I do not know, that they had men come from, say, the War Department when it was investigating the War Department, but it did have employees of the executive branch of the Government detailed to the committee to make investigations. Therefore, if they are satisfied with the employees of the executive branch to make investigations for them, why should they not be satisfied to have men under the jurisdiction of the Comptroller General detailed to them when those men would be subject to the will of the Congress and not the executive branch of the Government?

Mr. Speaker, I realize it is probably a waste of time on my part to fight the great Rules Committee and the 45 members of the Appropriations Committee; nevertheless, I want to see this job done right and I say to you that the way to do it is for the Appropriations Committee to give Mr. Warren \$300,000 or \$400,000 to set up a real investigating committee in the Comptroller General's office, then let the Appropriations Committee, the Naval Affairs Committee, the Committee on Military Affairs, the Committee on Merchant Marine and Fisheries, the Public Buildings and Grounds Committee, the Banking and Currency Committee, the Committee on Expenditures, Civil Service, in fact all committees that have had special appropriations in order to make investigations call upon Mr. Warren to send down his investigators, detail them to that committee and make the investigations that are required.

I know I have demonstrated over a long period of years my desire to do the job that you seek to do in part under this resolution. I know it would have been better if you had done so years ago. If you provide special investigators for one committee other committees will be seeking the same assistance. I want to stop that.

For nearly 15 years I sat alongside of Lindsay Warren on a committee. I was the ranking member of that committee. I know him and know he would render you wonderful service if you ask him to do so. All the older Members know Mr. Warren. They know the service he rendered in this House. It was his outstanding service in this House that brought him to the attention of the President who pleaded with him to accept the position of Comptroller General; a 15-year appointment. I know he did not want to leave this House but the President insisted. He cannot be reappointed. He is under the control of nobody but the Congress. So I say, if you give him the money to set up a real investigating committee, he will do a real job for you.

Mr. Speaker, in going over the RECORD hurriedly since this Congress assembled, I have noticed where there are dozens of resolutions introduced requesting investigations of almost every character. Most of the committees, both select and standing committees, that were granted special authority with money to make in-

vestigations in the Seventy-eighth Congress seek to have their committees extended.

I think the country is fed up on special investigations. I know there has been editorial criticism by the leading metropolitan papers of the country as well as by columnists and commentators about the duplication of work by the House and the Senate. We criticize the executive branch of the Government for waste and extravagance and duplication of effort. It seems to me that we are subject to criticism when the Congress follows the same practice. I think the Rules Committee should be extremely careful in bringing resolutions of this character to the floor.

I do not know just how many special committees there are in the Senate, but I do know that there are Senate committees doing practically the same work that House committees have done. Time and again it has been pointed out that the generals of the Army and admirals of the Navy appear before a House or Senate committee one day and go before a Senate or House committee the next days on the very same subject. At a time when they are needed at their desks to prosecute the war, this should not be permitted.

We had committees investigating small business in both the House and the Senate. We had committees investigating Federal personnel in both branches. We had committees investigating expenditures of the War and Navy Departments, the Maritime Commission, public housing, and all phases of agriculture; in fact, every subject was being investigated on both sides of the Capitol. If one body is going to make an investigation, then it seems to me that the other branch should leave that investigation to the first committee that is organized.

Mr. Speaker, I hope this resolution that we are now considering will not be a precedent as to what the Rules Committee proposes to do in the future. I am not going to vote for this resolution for the reasons that I stated at the outset of my remarks. My outstanding reason being that we are not justified in placing at the disposal of one committee of this House a special investigating division, but what we should provide for is either, as I said, an investigating division in the Comptroller General's office or a division controlled by the Congress, investigators, and research men, who will serve every committee of the House.

I feel confident that if this resolution was defeated that there would immediately follow some sort of an investigating set-up that would render efficient service to every committee of the House.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I shall favor this resolution. I am satisfied that the only way the House of Representatives can get service in an investigational capacity so that it will be really effective is to have that service under the direct control of representatives of the House of Representatives. I have seen joint committees work. I have seen joint staffs work. I have seen dependency upon

agencies of the Government. I am satisfied that they do not provide us with the sort of thing we need to effectively get somewhere in solving the problem of cutting down our appropriation bills where they require cutting down.

It has been the practice of the chairmen of that committee, under whose control this investigation last year was placed by the Committee on Appropriations, and the gentleman from Virginia [Mr. WOODRUM] and myself, to draw from other agencies of the Government insofar as we were able to, agencies that were not affected by the investigation before us to get men of the very best capacity and experience to support and aid our own investigators and our own programs. We reimbursed those agencies that we drew on for the salaries of the employees we took. We paid their expenses when they had to travel. Sometimes it was a case of going into an agency and finding out whether or not it was run on business principles and whether the employees were properly working. For that we needed a business executive from a department.

Frankly, we took what we felt was the best set-up along that line, the head of an agency that is recognized all over the country as one of the best run of the lot, and the result we obtained was very, very satisfactory in a great many cases. We did not succeed in every investigation that we attempted in establishing what some of us felt were the facts, but we did succeed in obtaining information that enabled us to revamp the appropriation bills in a way that would save money for the people's Treasury.

Mr. GEARHART. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. GEARHART. In view of the fact that rule XI sets up a standing committee, that is, the Committee on Expenditures in the Executive Departments, which has all of the authority and more than the adoption of this resolution would confer upon a subcommittee of the Committee on Appropriations, is not this subcommittee a duplication, and does it not interfere and infringe upon the responsibility of the committee the name of which I have just mentioned?

Mr. TABER. Not in the slightest. We make our investigation with reference to the pending appropriations and estimates that are submitted to us. They make their investigation with reference to past expenditures. That is the difference. If we are to keep up with the parade, we have to have the tools to work with.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, this resolution should be adopted, even if in the minds of some of us it be adopted as a temporary or makeshift meeting of the problem. Personally, I feel that the Committee on Appropriations very properly should have more tools to work with than this resolution will provide. We are now engaged in hearings on the independent offices appropriation bill. This morning there were and again this afternoon there will

be agencies before our subcommittee with more men than the staff of the entire Committee on Appropriations. The responsibility which the members of the committee seek to meet is to interrogate these different agencies as they come in, one, two, or three a day, possibly, in an effort to get behind the picture that they have spent months to develop. They have their men who spend most of their time preparing, from one Budget estimate to the next.

If there is anything on which this resolution should be criticized it is that it does not go far enough, but the statement has already been made here that a committee of the House has been contemplated for studying the needs of the House. I assume that committee will give some consideration to the larger problem involved.

It is undoubtedly true that there is some weakness in going to the various branches of the Government and borrowing personnel from them. It is true that the committee, on the other hand, has sought to protect against any weakness in that respect by getting someone from a different agency than the one which it is supposed to investigate.

We have deluded ourselves somewhat by thinking that there might be a saving of pay roll in that respect because such investigation as I have been able to make would indicate that when we do take over the pay roll of an individual for his work with the committee the money for him in the salary budget of that agency is spent anyway. We do not get a report of an unspent balance at the end of the year. They use that money to take care of promotions or something else.

In that respect, it seems to me it would be far better if the committee were financed adequately enough to secure its own personnel without borrowing from the departments. It is not intended, and the committee has never sought, to invade the prerogatives or the fields of any special investigating committees that might be set up by the House. The course the committee has followed has been solely that of investigating contemplated expenditures, or I should say the estimates and requests of the various agencies, in relation to the way they have handled their money in the previous appropriation. For the job that is to be done, this resolution proposes a minimum approach.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, the gentleman from Missouri referred to the interest of the Committee on Rules in adoption of this resolution. I should like to make the observation that the Committee on Rules is not campaigning for the passage of the resolution. Mr. Speaker, it is easy for me to concede the force of the argument made by the gentleman from Missouri, which was to the effect that when parties to a controversy submit their case to a jury made up of the family of one of the contenders the verdict usually is already written before the evidence is taken. That leads me to suggest that I agree with the gentleman from Missouri that it would be bet-

ter if the Committee on Appropriations might find it possible in the selection of their advisers to draw from sources other than administrative circles. However, the Committee on Appropriations was acting under the stress of the moment and I dare say had neither time nor opportunity to canvass the entire field for people of knowledge and experience that could be of any assistance to them, and therefore was compelled to go to the different departments of the Government to get the men it used. It is probably true that this is the only source of getting first-class men at this time—and so, as easy as it is for me to concede the force of the argument of the gentlemen from Missouri, it is likewise easy for me to accept the judgment of the members of the Committee on Appropriations on this question. They tell us that tremendous savings have been effected as a result of what they have done, using people whom they have obtained from different departments, and I, of course, believe what they say. Further, as has been observed, this is something of a temporary expediency. I hope that the House may find it agreeable to accept the resolution.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Rich].

Mr. RICH. Mr. Speaker, I would dislike to be accused of being extravagant in the expenditure of Government funds. I am sure I could not be so accused. But when I served on the Committee on Appropriations, I realized the value of investigation by the committee itself into the various Government departments. When these departments come before the committee they generally have 8 or 10 witnesses and we have 4 or 5 members on the subcommittees. They are always prepared with everything, and with various reasons why they need this money. Some good and some not so meritorious. It seems to me that unless the Committee on Appropriations has someone who can investigate the requests, the Appropriations Committee will not get the information they need. For that reason I think for every dollar you spend on this committee right now you ought to be able to save hundreds of thousands of dollars. Not only that, I am very much interested in having a subcommittee set up for each one of these committees an investigator, as was suggested by the gentleman from Virginia [Mr. Woodrum] several years ago. You could not further the interest of the Congress and the people of this country more in saving funds, in my judgment, than to have a bill of that kind adopted, notwithstanding the fact that my good and genial friend, the gentleman from Missouri [Mr. Cochran] is desirous of having this responsibility placed in the Bureau of Accounts under Mr. Lindsay C. Warren, who is one of the finest men I have ever sat with in the House. But it seems to me you could do well now to put this committee into effect until the other procedures recommended by any other committee have the opportunity to function. I am very much in sympathy with this. I am going to vote for it for the reason that I know every dollar you will spend here will mean a saving of a million dollars, or that is my

hope. I am for this resolution as a matter of economy.

PERMISSION TO ADDRESS THE HOUSE

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent that after the completion of the legislative business today and other special orders, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. Lanham].

Mr. LANHAM. Mr. Speaker, personally I have not thought that this resolution affords an adequate solution of the problem before us. It will be 3 years next month since I first introduced a measure in this body to create as an agency of the House of Representatives an office of fiscal investigations. It would be absolutely and directly our own agency, independent of any executive department or organization.

I have believed that this is the proper approach to the economy which we all desire, and to the ascertaining of the information and data upon which that economy can be predicated. Such an agency would be at the disposal of the various committees of this body, just as our office of legislative counsel is now at our disposal with reference to the preparation of various measures for our consideration.

Let me call it to your attention that one important feature and element of the promotion of economy arises before the measure ever reaches the Committee on Appropriations. In other words, many of these appropriations might not be authorized, or they might be reduced in amount, if the committees giving initial consideration to the bills before them could have the advantage of an office of fiscal investigations in order that they could determine accurately just what sum of money might be necessary in the way of expenditure to accomplish any proper purpose. Such an agency also could investigate and detect any duplication, waste, or extravagance in the use of funds previously appropriated. That, I think, would point the way to very substantial economy.

Though this resolution may be necessary in some respects for the Committee on Appropriations, I certainly think it inadvisable to go into the family of the executive departments to have them pass upon the needs of one another. I sometimes think that many of them have more or less of a feeling of hostility toward the Congress of the United States, and perhaps especially toward this body in which the appropriation bills originate. It may become more or less a matter of "You scratch my back and I will scratch your back; you are going to investigate me and I am going to investigate you; let us see where we can get together."

I believe we ought to start from the beginning when these various bills that authorize appropriations come before

the respective committees, and have those committees properly staffed through an office of fiscal investigations that will place at their service some competent authority to determine the merits of the measures that are pending before them.

I have no objection, of course, to the Committee on Appropriations having whatever it may need to carry on its own investigations, but I believe that such services as they may require can very easily be a part of the functions of such an office of fiscal investigations. We now have a select committee appointed to report to the Congress a reorganization of the various methods of procedure and a restaffing to the extent that may be essential. It seems to me we are beginning to get the cart before the horse in determining so many of these matters before that committee has made its studies and completed its deliberations and reported its findings. But I believe now, as I have believed since I first introduced this measure almost 3 years ago, that it is important for these committees of the Congress in a proper consideration of the measures before them to have an independent agency of the Congress to conduct for them any necessary investigation that would get such factual data as might properly be required of them when they come before this body to request the passage of various bills.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Montana to make a unanimous-consent request.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent that the special order of 45 minutes given to me on next Monday may be extended to 1 hour, at which time I wish to make a report to the House of my mission to China.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

EXTENSION OF REMARKS

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Washington to make a unanimous-consent request.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Washington [Mr. HORAN] may have permission to extend his remarks in the Appendix of the RECORD and to include therein an article on Alaska that was issued.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, as a member of the Committee on Appropriations, I have frequently had occasion to address the House on this very important subject. I am in substantial agreement with the distinguished gentleman from

Texas that we ought to set up facilities that could be utilized by the legislative committees of the House as well as the Committee on Appropriations. This resolution, however, deals specifically with the work of the Committee on Appropriations and does not touch the work of the legislative committees of the House.

While I am in complete sympathy with the objectives sought to be obtained by this resolution, I have some doubts in my mind that I would like to have resolved while this matter is under discussion. I wonder if the chairman of the committee will advise me and the House as to whether I am inaccurate in my thinking as to the real procedure in the event this resolution is adopted.

In the first place, the resolution provides that "the Committee on Appropriations acting as a whole or by subcommittee or subcommittees thereof appointed by the chairman for the purposes of this resolution is authorized effective January 4, 1945, to conduct such studies and examinations," and so forth. Am I correct in the assumption, Mr. Chairman, that if this resolution is adopted the investigation would have to be conducted by the full Committee on Appropriations or a subcommittee or subcommittees to be appointed by the chairman for that specific purpose? Or would the investigations be conducted with respect to the departments of the Government for which appropriations are scanned by the regular subcommittees of the Appropriations Committee?

Mr. CANNON of Missouri. The gentleman should be thoroughly familiar with the system. It has been in operation for 2 years. Every member of the Committee on Appropriations is familiar with it and its operation. For 2 years it has functioned most successfully. Not a single objection or criticism has ever been offered against it from either side of the House in committee or on the floor. We have saved, literally, millions of dollars by the use of the very small amount provided here.

Mr. KEEFE. The gentleman is not answering the question.

Mr. CANNON of Missouri. I would be very glad to answer any question the gentleman may ask.

Mr. KEEFE. I would like to get an answer to the question. I am a member of the Committee on Appropriations, the same as the gentleman is, and I am quite familiar with the procedure that is indulged in now; but I do not want this record to show that if the pending resolution is adopted we are merely agreeing to the procedure that has been indulged in heretofore by the Appropriations Committee. If this resolution does not go further than that, I would not support it. I assume, and this is the reason I ask the question, that the subcommittee, for instance, in charge of the Labor and Social Security appropriations will be the subcommittee designated by the chairman of the Appropriations Committee under this resolution to make the investigation required to determine whether or not the department covered by that appropriation is asking for the proper sum of money or is properly expending the

money that is appropriated by the Appropriations Committee. Am I correct in that?

Mr. CANNON of Missouri. The gentleman is correct.

Mr. KEEFE. Under the present system, to which the gentleman referred, all that we have is the right of the subcommittee, the chairman, and the ranking member, to appoint investigators to go down, investigate a Budget estimate, and report back to the subcommittee. If this resolution is adopted, the subcommittee will have the right to subpoena witnesses before that subcommittee and put them under oath; is that correct?

Mr. CANNON of Missouri. If the committee so desires. Under its authority, it has that right.

Mr. KEEFE. If the resolution is adopted, it is a very material extension beyond the power that the committee now has, is it not?

Mr. CANNON of Missouri. It is the same resolution identically that was adopted 2 years ago. It has been in force for 2 years. We have not changed a single line or word or punctuation mark in it. It is the same resolution under which the Appropriations Committee has in the last 2 years saved millions of dollars.

Mr. KEEFE. I shall be glad if the gentleman in connection with his remarks will give us a bill of particulars showing where those savings have taken place. As a member of the Appropriations Committee, I would be very much interested to find where the result of these special investigators has saved millions, millions, and millions of dollars. I am going to support the resolution but I would like to know something about how it is going to operate in reality. My own experience as a member of the committee is that any reports submitted came to the attention of the chairman and ranking Republican in the full committee and possibly to the attention of the chairman of the subcommittee. Some of the reports of the investigators were referred to in the hearings. This procedure does not meet the issue. The members of the subcommittee should know who the investigators are in order to evaluate their reports. They should be available to members of the subcommittee while the hearings are in progress.

The SPEAKER. The time of the gentleman has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Missouri [Mr. CANNON].

Mr. SABATH. Mr. Speaker, I yield the gentleman from Missouri [Mr. CANNON] the balance of my time.

Mr. CANNON of Missouri. Mr. Speaker, the Committee on Appropriations faces a prodigious task. The message that has just been read to us, and which is the first of many estimates to follow, comprises 758 pages of closely printed matter requiring consideration by the committee. While it does not include appropriations for the Army and Navy and the war agencies, it does indicate the approximate amount that will be required. In round figures the message

which has been read this morning recommends expenditures aggregating \$77,500,000,000, in comparison with the current year for which similar direct appropriations have been made amounting to \$67,615,000,000. In other words, we have a stupendous job ahead and will need all the assistance we can get in screening the vast amount of evidence that will have to be scrutinized in the process.

Let me say, in order to clear any misapprehension of the situation, that this is not a new thing. It is merely the continuation of an authority and a system which has been in force for 2 years. For 2 years we have operated under a precisely similar resolution—under exactly the same procedure, and no man in the committee, including my good friend who has just spoken, has risen in the committee and offered any criticism or objection or proposed any supplement to it. It has been satisfactory in every respect and it has saved billions of dollars.

For example, we had a proposal from the Budget Bureau to appropriate \$58,764,000 for a war-training program by the National Youth Administration. Investigations by our staff, under this resolution, showed that such an expenditure would provide for a duplication of activities and was unnecessary, and on the testimony submitted by our operators we eliminated an expenditure which undoubtedly would otherwise have been authorized by the Congress.

Again, as another of many instances, the Central Administration Services, which had been in use for many years, was investigated under this resolution and found to be superfluous and was eliminated at a savings of approximately \$2,700,000. Many other instances could be given of material savings in the last 2 years through the operation of the system provided by this resolution—savings which could not have been effected without the information and data supplied by our investigators.

For the last year columnists and radio broadcasters have made the welkin ring with inflammatory statements to the effect that the Committee on Administrations was working blindly and wasting vast sums through lack of a system of securing information independent of that supplied by the departments. It is merely illustrative of the careless and unauthoritative space-fillers purveyed through the syndicated columns of the papers and thrown on the air by the professional gossipers of the day.

A perverse lack of information on the part of Members of the House itself has been evidenced here on the floor from time to time. A striking feature of the debate today is that the few who oppose the pending resolution have invariably prefaced their remarks with approval of the objective sought to be achieved by the resolution. Then they proceed to take issue with the method of attaining that objective. They want to substitute for our system a permanent staff. And in most instances they have already agreed on the salaries of such a staff, running on one list as high as \$10,000 per man per annum. And some of the

personnel they recommend to handle this important work in the administrations of the national finances have not been sufficiently successful in the administration of their personal finances to always have the rent ready on the 1st of the month.

May I remind the Members of the House that this is a going concern. It has been in actual operation for the past 2 years. It has been tested and tried under every possible situation. Let me quote the statement made in this connection in the CONGRESSIONAL RECORD of December 19, 1944, as follows:

Mr. CANNON of Missouri. Mr. Speaker, I herewith submit the final report on the expenditures by the research staff of the Committee on Appropriations for the Seventy-eighth Congress.

The staff has conducted investigations covering every inquiry submitted by any member of the committee and any Member of the House who subcommittee inquiries through the members of the committee under House Resolutions 69 and 116, for the approximate period of the last 2 years.

Millions of dollars have been saved through application of the information thus secured and although reference to the operations of the staff has been repeatedly made in the committee and on the floor, no criticism or dissatisfaction with the staff or its work has been expressed at any time.

One of the features of these investigations is the economy with which they have been handled. As will be noted, less than half the original \$100,000 appropriated for this purpose has been expended after supplying every request for data and the sum of \$50,250.84 is turned back—a record for volume of accomplishment at minimum cost unsurpassed in the history of congressional investigations.

The following tabulation reflects obligations incurred since March 8, 1943, under House Resolutions 69 and 116:

Obligations from Mar. 8, 1943, through Dec. 31, 1944	
Personal services:	
Regular members of the staff.....	\$18,448.82
Salaries of personnel on loan from executive departments:	
Treasury.....	3,116.35
Civil Service Commission.....	5,509.96
Interstate Commerce Commission.....	258.31
Agriculture.....	4,561.57
Federal Works Agency.....	374.89
Veterans Administration.....	2,364.74
Commerce.....	1,622.83
Federal Security Agency.....	2,164.19
Labor.....	1,178.10
Office of Censorship.....	1,870.21
Justice.....	1,994.63
Office of War Information.....	346.01
Total personal services.....	43,810.61
Other expense items:	
Travel expense.....	5,705.48
Communications services.....	10.68
Supplies and materials.....	222.39
Total other expenses.....	5,938.55
Total obligations.....	49,749.16

Permit me to earnestly point out, in the few remaining minutes of the time allotted for debate, the many and conclusive reasons why the system practiced under this resolution is preferable to

any permanent staff, permanent agency, or permanent committee or joint committee which can be established for this purpose.

In the first place, the system is elastic. If a dozen investigations in a dozen different departments are necessary on short notice, any number of operatives required for them are instantly available. No job is too big or too fast. We can have any number of highly trained men up here ready to go to work tomorrow morning. In a permanent agency the number and size of the investigations would necessarily be limited and time would be vital consideration. On the other hand, if we have only one investigation on schedule—or none—we do not have a single superfluous employee, whereas with a permanent staff most of your men would be sitting around doing nothing but drawing their salaries three-fourths of the time. And that is a considered statement based on long experience and observation.

Again this system provides exactly the character of operative need for any specific investigation. If you need a scientist, you can find no one better qualified than, for example, a man supplied by the Federal Bureau of Standards. If you need a physician, where can you find one better qualified than one from the Public Health Service? Or, if an engineer is required, where in the world can you get a better qualified engineer than from the Board of Engineers of the War Department? In case you want to use a detective, where will you get a better one than from the Secret Service of the Treasury Department—or from the Federal Bureau of Investigation? If we need an auditor or an accountant we can get them in any department, including the General Accounting Office. No permanent staff would have ready at hand experts of all these exceptional qualifications on instant call. In fact the General Accounting Office, which is sometimes suggested as an agency to do this work, is an aggregation of bookkeepers. In many of these investigations a bookkeeper would be of no particular value. In fact, when we were considering planning our system of investigation—and it was under consideration for many months—we asked the General Accounting Office for an estimate on the cost of establishing such an agency in the G. A. O. and they submitted an estimate of approximately \$1,000,000 per annum to do the work we have been doing under this system at an annual cost of \$25,000 a year; and I am convinced it has been done better and with greater expedition than it could have been done by any other agency.

It has been suggested by someone here today—evidently unfamiliar with the fundamental principles of budgetary administration—that if personnel from one department were detailed to investigate another department, they would cover up any discrepancies found on the theory that a like service would be rendered if employees from that department ever investigated their own offices. In our entire experience we have never been detailed a man of such low caliber as to render such a practice even remotely

probable. And our method of requiring statistical and documentary evidence in support of reports would practically preclude such dereliction of duty even if attempted. Furthermore, under the national budgetary system the first estimate is as to the over-all amount of money available for the expense of the Government for the fiscal year. There is just so much money to be made available, and in providing for the expenses of the various departments, the coat must be cut from the cloth at hand. If one department gets more, another department must perforce get less. For this reason there can be no community of interest under which all departments could be allotted larger funds. The idea that one department would cooperate in getting more money for another department than its legitimate needs warranted are absurd. As a matter of fact you will not find any committeeman of the 43 members of the Committee on Appropriations who believes that anything of the kind has occurred in the 2 years in which we have been making these investigations.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. There are, are there not, pending at the present time a large number of investigations that the committee has initiated with reference to the Budget estimates that were sent up here today?

Mr. CANNON of Missouri. Yes; I am glad the gentleman mentioned that.

Mr. TABER. They need to be followed up right away, ahead of the committee hearings.

Mr. CANNON of Missouri. That is true. Our hearings are about half finished. We have 12 or 15 men who are at work in the departments on pending estimates. We had to discontinue all such work at midnight on the 31st day of December as our authority to investigate and our funds for that purpose lapsed as of that date. Unless we get this authority now, our men cannot complete these investigations. Our subcommittees are meeting across the hall every day now preparing the first appropriation bills for the session. We shall be greatly handicapped if this resolution is not adopted.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. Did the gentleman state that the N. Y. A. was to be given an appropriation?

Mr. CANNON of Missouri. A budget estimate for \$58,764,000 to be expended in a military training program, was eliminated on testimony secured through our research agency.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. CELLER. Will it be the purpose of this committee aside from examining into appropriations to examine into the policy-making powers of the various departments?

Mr. CANNON of Missouri. If the gentleman will read the resolution, he will

note that it provides only for the investigation of matters within our jurisdiction.

In conclusion, I submit a statement made on the floor of the House in this connection, on December 21, 1943, categorically detailing the advantages of the established system of investigation employed by the Committee on Appropriations as follows:

The advantages of the system are:

First. It is economical. The employees are on the House pay roll only as long as needed. If a permanent staff were employed the entire force would be drawing salaries whether the committee was conducting an investigation or not. But under this system a man is called from the department and placed on the House roll, at the same salary he is drawing in his present position. As soon as the assignment is completed he is returned to the department and goes off the House roll and back to his original roll. His salary cannot be raised by the committee and he is not paid a day longer than required for the assignment.

Second. Men especially qualified for the particular investigation involved are secured. In some investigations an auditor is needed, in some a lawyer, in some a chemist, in some an efficiency expert, in some a detective, etc. Accordingly, the man best fitted for the assignment is requisitioned. If an auditor is needed the General Accounting Office may be asked to supply the man. If a chemist, the Bureau of Standards; if a lawyer, the Department of Justice; if a civil-service expert, the Civil Service Commission; if a detective, the Federal Bureau of Investigation or the Secret Service of the Treasury Department. By way of rotation auditors are also available from the Army, Navy, S. E. C., R. F. C., W. P. B., O. P. A., and Tariff Commission, chemists from Agriculture, Treasury, and others, and lawyers from the legal staffs of all departments, etc. No other system yet suggested will so promptly and so exactly supply just the precise character of qualification needed for any specific investigation.

Third. The system is elastic. It supplies 1 man or 10 men on short notice. There are 10 subcommittees. If only 2 order an investigation, a half dozen men will suffice. But if all 10, or any considerable number of the 10, simultaneously request investigations, the requisition jumps to 50 or 60 men. Then during vacation, when only 1 or 2 subcommittees are investigating, the number drops again. But for any investigation or number of investigations, this system meets the emergency. It supplies just the number needed and no more—and for the time required—and no longer.

Fourth. The system supplies men of rare qualification. For such investigations the departments assign their best operators. These men are experienced. They are trained. They are tried and tested. They have come up through the ranks. They have demonstrated their fidelity and capacity. There are among them no tyros or amateurs. They are the ablest and most dependable men that are to be secured and incomparably superior to the men to be had by political selection of a permanent House staff. Furthermore, they are active and alert. Men on permanent staffs grow old and inert with the passage of the years, but the departments are a never failing fountain of youth and energy.

Fifth. The constant change in operatives sends into the departments men unknown and unacquainted in the bureaus which they investigate. They have had no opportunities to establish cordial relations. They are new faces and new brooms—and they sweep clean.

Sixth. The only interest of the operator is to secure the facts as quickly and as economically as possible and get back to his own office. Under the average committee of investigation the employee is likely to be

swayed by two dominant interests: First, he wishes to prolong and perpetuate his job. He is drawing a better salary than he can get anywhere else and he wants to make it last as long as conditions permit. Second, he feels that he must justify his employment by "making his case" and "getting his man."

There is no such incentive under this system. Congressional committees of investigation now operating have expended vast sums—as high as half a million dollars—with little visible results. The Committee on Appropriations conducting investigations in many departments for the larger part of the year has spent less than \$20,000 and secured invaluable results.

Seventh. The system cannot be used for the publicizing or aggrandizement of the chairman or any member of the committee. Requests submitted by the subcommittees are for facts. Opinions are not admitted. The investigators receive written assignments and make written reports, and from those facts reported the members of the committee deduce their own opinions, although the committee may request, through the staff, an analysis of the data by an expert not connected with the original investigation. Results of the investigations are not released to the newspapers. The department which has been investigated does not itself know what the investigator has reported and as a result must be on its toes ready for any development when its representatives appear before the committee in the hearings on the Budget estimates.

Eighth. On the other hand, the system cannot be used as an instrument of persecution. The fact that a department is investigated is in no way to its discredit. Investigations are routine and are expected and as a rule welcomed by the departments. While many instances have been reported which justified heavy retrenchments, there have been occasions when on the basis of the reports submitted by the investigator the appropriation was increased over the Budget estimate. The system makes for efficient administration as well as economical administration. And it is effective even when not in use. It is like the shotgun behind the door. The very knowledge that it is there is a deterrent—even though not in use. The mere fact that Congress can investigate, and is supplied with effective machinery for investigation, exerts a salutary influence.

On the whole, the system has proven remarkably successful. It has met every requirement. In fact, it is difficult to imagine a system which would be more responsive to our needs and more economical and effective in its operation and results.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DRAFT OF PERSONS ENGAGED IN AGRICULTURAL OCCUPATIONS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, alarmed by recent steps being taken by the War Manpower Commission, I have introduced the following resolution:

Whereas due to the recent sweeping order of the Director of Selective Service, there is a danger of the draft boards throughout the country going far beyond the intent of the Tydings amendment which restricts the draft

of essential persons engaged in agricultural occupations; and

Whereas such future indiscriminate action on the part of the draft boards by drafting essential persons in the dairy industry and other agricultural pursuits will practically stop the vital production of milk, butter, cheese, and other dairy and agricultural foods to our armed forces, our civilian population, and our allies: Therefore be it

Resolved, That the Committee on Military Affairs is directed to determine if, and the extent to which, such order is contrary to the policy of Congress with respect to selective-service registrants engaged in agricultural occupations, as expressed in section 5 (k) of the Selective Training and Service Act of 1940, as amended, and to report its determination thereon to the House within 10 days after the adoption of this resolution.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the Milwaukee Journal, and further to extend my remarks and include an editorial from the Washington Star.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PROPOSED ESTABLISHMENT OF AN ARMY AGRICULTURAL CORPS

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LARCADE. Mr. Speaker, in view of the announcements by War Mobilization Director Byrnes and the Selective Service System in regard to manpower and the drafting of additional men for the armed forces and industry, I am today reintroducing my bill to establish an Army Agricultural Corps for service in the Army of the United States. When I introduced this bill on April 22, 1943, in the Seventy-eighth Congress, I stated that it was my opinion that food and dairy products were essential for the armed forces and the civilian population, and that food was just as essential to the armed forces as ammunition. All of us remember what Napoleon and Washington had to say in this respect.

My bill would provide for inducting in the armed forces all men and women engaged in, or qualified for agricultural work, and I am still of the opinion that the creation of this new branch of the service would help to solve the present situation. There are other branches of the services which are noncombatant such as the Quartermaster Corps, the Provost Marshal branch, the Services of

Supply, Signal Corps, Adjutant General branch, Transportation, Medical, Public Relations, Chaplains, Judge Advocate, and other branches of the armed forces.

I have also called to the attention of the War Manpower Commission to the fact that thousands of men had been rejected in the draft on account of flat feet and illiteracy.

I personally know of hundreds of fine physical specimens who have been rejected on account of flat feet who, in my opinion, could be used in the Army. In the last war, thousands of illiterates were used in labor battalions, and performed magnificent work in the loading and unloading of ships and whose services were utilized in many ways. As a matter of fact, the Army service courses and schools teach the average soldier to read and write in approximately 2 months. Thousands of men in civilian Government employ could be inducted in the armed forces.

While all of us desire to do all things which are necessary to win the war, there is considerable anxiety on the part of agriculture as to the announcement of the drafting of farm and dairy workers, and I am of the opinion that, if the details could be properly worked out, my bill would be a means of solving this situation. My bill would place thousands of farm and dairy workers in uniform where most of them would prefer to be, and food production would not be reduced. In my district, had it not been for prisoner-of-war labor, we would never have been able to save the rice, sugarcane, and other food crops; and this year this problem will be more acute than ever.

Mr. Speaker, in any event, I trust that those in charge of these programs will take the necessary time and give full consideration to these matters, and that all of them will not commence to issue contradictory, confusing, and constantly changing statements, rules, and regulations as was done in 1943, when no one was able to intelligently determine the status or future of those subject to these orders and directives. They should make up their minds.

EXTENSION OF REMARKS

Mr. MORRISON. Mr. Speaker, I have two unanimous-consent requests, one to extend my own remarks in connection with Government employees, and the other to extend my own remarks in connection with the F. B. I.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. D'ALESSANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an article from the Baltimore News-Post.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I have two unanimous-consent requests, one to extend my remarks and insert an article on the punishment of war criminals, and secondly, to extend my remarks by inserting a brief editorial which appeared in the New York Times of January 6.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GIBSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article which appeared in the January 9, 1945, issue of the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Gary Post-Tribune and from the Chicago American.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the all-girl orchestra.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

UN-AMERICAN ACTIVITIES

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, with reference to the so-called Un-American Committee, I make the following suggestions for their investigation:

First. Is it un-American to get up on the left side of the bed in the morning? If so, should all bedrooms in America be rearranged to avoid this subversive tendency?

Second. Is it un-American for Santa Claus to wear a red suit? Does he just wear those white whiskers to fool the kids?

Third. Is it un-American to be caught walking on the left side of any thoroughfare? If so, is any excuse valid? Should miscreants be thrown in the cooler?

Fourth. Is it un-American for the letters Z and K to look so crooked? Are these the American version of the hammer and sickle?

Fifth. Is it un-American to tie red bows on bird cages?

Sixth. Is it un-American to crawl into one—after a bout with the Un-American Committee?

Seventh. Is it un-American to sit on a tuffet? If so, should we deport Miss Muffet?

Eighth. Is it un-American for that dollie to go on dancing with the hole in her stocking? What happened to the crack in her head? Is it true that thousands of unidentified characters entered the United States through that yawning cavern on each Walpurgis Night?

Ninth. Is it un-American to tint smorgasbits pink? Is this an imported foreign deception?

Tenth. Is it un-American for Joe's delicatessen to substitute ersatz caviar

for corned beef on rye? Is this a paid propaganda stunt?

Eleventh. Who is Roger? What is he?

Twelfth. Is it un-American for W. C. Fields to have a bulbous and red nose?

Thirteenth. Is it un-American for Westbrook Pegler to succumb to the comfort of red flannel underwear?

Fourteenth. Is not it un-American to use red herrings?

Fifteenth. Is it un-American for Skelton to call himself "Red"? Should he be forced to change it to Passionate Purple Skelton?

Sixteenth. And Little Red Riding Hood? What was she thinking of, tearing around in that outfit? Were there really eggs in that basket or was it the Communist manifesto cut up into a jig-saw puzzle? Was it really a wolf or Joe Stalin in a new snow suit?

Seventeenth. Is it un-American for the mocking bird, the accepted bird of Mississippi, to go on mocking? Why cannot the committee train it to whistle Yankee Doodle?

Eighteenth. It all adds up to one thing. We must eliminate the source of all these vexatious problems. The little red schoolhouse must go.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therewith a telegram from the North Dakota Farmers Union.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial by Mr. L. Reid of the Renville Star Farmer, of Renville, Minn., relative to the manpower problem.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FELLOWS. Mr. Speaker, I ask unanimous consent to extend in the RECORD a speech delivered by Hon. ROBERT HALE at Portland, Maine, on American foreign policy.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent, following other special orders heretofore granted, I may address the House for 10 minutes today.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. ADAMS. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from the president of the New Hampshire Farm Bureau Federation and a copy of a telegram directed to the War Food Administrator.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article by Joseph Leib.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD in two instances and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

FARM LABOR AND THE DRAFT

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and revise and extend my remarks by including a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, farmers in my district are very much exercised about the recent order requiring the reclassification under the Selective Service Act of boys who are now on farms and doing actual farm work. My farmers do not urge, and in fact do not want any exemption or deferments for boys who are not genuine farmers and doing a real farm job. Our farm boys are not draft dodgers. They are doing vitally essential work on the home front.

Mr. Speaker, I am this day in receipt of a letter from a constituent which states the case in clear, concise language. It tells the facts as they are, better possibly than I can tell them. The writer of the letter lives on a farm and knows the problems of agriculture. The letter is as follows:

JANUARY 4, 1945.

DEAR MR. MICHENER: Yesterday over the radio it was announced that Director Byrnes wanted all farm workers' deferments canceled. He said boys between the ages of 18 and 25 were best fighters. Do you not know that these few farm boys are the backbone of our Nation? It is these boys who are producing the food to feed the country.

How could the men in service, the war workers, and all other civilians work if they did not have the food?

Farming is no easy task, and these young boys are the only ones who can do this heavy work. It is the boys who are born and raised on the farm who are not afraid of hard work. They farm the soil, feed the stock, and milk the cows, take care of the stock when sick. It takes years of training to get the knowledge to farm and produce as the boys are doing today.

A man or woman of 50 years or older can go in the factory and work at war work. You can learn that in a few weeks. Their work is steady but not hard. The hours are not long like farm boys' work. Farm boys who have stock to care for are in the barns at 6 o'clock in the morning and work in the fields till 6 at night or later if necessary, then take care of the stock. It is 8 o'clock or later before they come in.

You have never known a farmer to strike or quit like his town or city friend does when he thinks he should have more pay.

The farmer at the age of 50 is worn out from hard work. And their sons or sons-in-law must take over the work. They can do the managing and business part, same as your generals, majors, and captains do in the Army, but they cannot do the heavy work.

There is not an extra hand available to hire. The foreign labor is no good. All they want is big pay and little work. One has to be with them in order to get any work done, for they know nothing about farming.

Your farm would not be worked if it was not for the 21-year-old boy who is working it with his father's help and knowledge. Most of our boys are working from 150 acres to 300 acres of land and feed a lot of livestock. Our older men are working from 40 to 60 acres today, and it takes that amount for a family to live. So you can see that one young boy produces more food than four or six older men do.

You, Mr. MICHENER, as a Member of Congress, may read this letter before Congress and show them that it will ruin our country to take any more of our farm boys. Who can fight and work without food? I can say our farm boys of today are doing their part.

The city folks think milk comes from a bottle and meat from a butcher shop, but it takes our boys to put it there.

Yours truly,

Mrs. CHARLES GOETZ,
A Farm Wife.

EXTENSION OF REMARKS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter from a canner in my district who sets forth the ideas of most thinking people on the manpower shortage.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include therein a broadcast by Hon. Raymond Gram Swing.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the time allotted to me today be postponed to the same place on the calendar for Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I have two other unanimous-consent requests. I ask unanimous consent to insert in the CONGRESSIONAL RECORD a statement by Hon. Jesse Jones concerning small business which appeared in the Washington Star last Sunday. In addition I ask unanimous consent to insert in the RECORD a statement on the accomplishment of the Committee on Small Business of the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from North Carolina [Mr. FOLGER] is recognized for 15 minutes.

FIRST THINGS FIRST

Mr. FOLGER. Mr. Speaker, I wish to preface the remarks I purpose to make by saying that they are made in the greatest humility. I am studying about the war, thinking about the men and the boys who today, as we are engaged in our necessary pursuits, are fighting, many of them dying, for us. I am proceeding upon the assumption that something may be accomplished under the idea that all progress is made here a little, there a little, rather than on the egotistical assumption that I know a lot nobody else does. I believe our lives are made up of here a little and there a little, line upon line, precept upon precept. Begging you to consider my remarks against this background I proceed.

Mr. Speaker, I trust none of us will, because some progress is now being made by our armed forces, begin predicting immediately total victory.

I am not one of those who thought or said that the war in Europe would be ended in 1944. I do not have to answer for that. I am sorry for those who do have to carry in their bosoms the realization that by talking such they rendered no service to their country.

Mrs. Hattie Caraway, retiring from the Senate, said: "Senators talk too much." Senators are not the only ones who talk too much. Too few people have learned that silence can be golden; and not many have drawn a lesson from the injunction: "Be sure you are right and then go ahead." There is a far too prevalent disposition not to look before you leap. I think much of this is due to a pitiable desire for personal publicity and self-advertising. The tragedy of that is that it is no contribution to the public good, nor is it finally valuable to the person engaging in such puerile pastime. Our first duty is to win this war, and do it quickly. This responsibility is on all of us—each of us.

To those of us who are not called to bear arms, the responsibility is greatest. It is not just an imagined phrase or conjured thought that the hope of Germany is to divide and conquer. This is one of the most powerful forces they recognize as most effective to the winning of the war.

In unity there is strength. The opposite of that is a truth also: Where there is not unity there can be no strength. Divisions among the peoples of a Nation strongly tend to produce divisions between or among the nations themselves. Already, without doubt, divisions, bickerings, and strifes, with sprinklings of jealousies and envies, have caused loss of the lives of many thousands of our own soldiers. Whoever, therefore, while the war is on, indulges in any of these things is guilty of manslaughter, or murder in the second degree, or murder in the first degree, depending only on the degree of that person's mentality. We must be as comrades in arms, or we shall be those who divide and contribute to our own sufferings and to the prolonging of this war.

The man who, by word or deed or neglect, prolongs this war can scarcely lay claim to patriotism or to concern for our soldiers on the fields of battle. I realize that these are terrible indictments; but if they are well founded, they ought to be made. What I mean to say is that the winning of this war at the earliest possible time is the responsibility of every one of us and is by far the most important thing we have to do.

How many years do you think are encompassed in 6 months at war to the man who, day after day, must take his place in the front lines and then at night sleep on the ground with his pack for a pillow? This war is not over, either in Europe or in the Pacific. To an alarming degree, the question of its prolonging depends on the behavior of those on the home front—on us. There is no escape from this fact.

We may, as a secondary consideration, give thought to the post-war period, as to economic stability and a lasting peace; but we cannot allow these things to become first considerations. We have to fight against the fact that the love of money is the root of all evil. There may be truth in the belief that set-backs in the last few weeks or months which we have suffered were due in a very large measure to the scramble for reconversion that people might make money and, likely, in order that some economic advantage might be gained by some over others. "The love of money is the root of all evil," you know. What I am trying to say is that the winning of this war, with a just and lasting peace, is, far and wide, beyond and above every other obligation we are under. The peace and security of our country, and the world, and the preservation of the lives of those noble men and women who are called on to fight and suffer and, if need be, die for the cause, compel our every effort and sacrifice toward speeding the victory. To one who throws a stumbling block in the unity so necessary in this awful struggle, but with his lips professes loyalty to the cause, I must say, "I cannot hear what you say because your actions speak too loud"—maybe because of what I know you to be.

I am talking for our soldiers in arms and for the fathers and mothers of this land and other lands. When reckonings shall come, it will not be for us to say, "I didn't know." It is our business to know.

Coming to the present, I must urge that all materials for battle be provided in the greatest abundance. It is and will be a thousand times better to say we provided too much than to have to cry, "too little and too late." Let anxiety for reconversion come only when we know there is not the slightest danger that our provisions for the war should be found to be too little or too late. Hope for the best, but prepare for the worst. That is the only policy we can afford.

One of the most disturbing things we see is the assumption of one that he knows a great deal about foreign or international affairs and is anxious to give vent to a feeling that he knows a whole lot and must tell the world what to do and what not to do; when in truth he

knows very little and what he thinks he knows is based on uncertain information that is like unto the warning that "a little learning is a dangerous thing." If I think I am smart, I am not smart; and, speaking to anyone, if you think you are smart, you are not smart. Not the arrogant but the meek shall inherit the earth. All we have a right to say is, "Come let us reason together."

Benjamin Franklin said that in his youth he was dogmatic. He would say, "This is so; that is not so." An old friend of his told him he might become a valuable man if he would say, "I think this is so. I suggest this for your consideration." Franklin was convinced and became, I think, one of the wisest and most valuable men the world ever knew, and one of the most convincing.

As I glance at the newspaper headlines I find that, "President fails to leadership in foreign affairs," critics say. What a pity. There arises a difference of opinion. Or is it a difference of attitudes? In my judgment, the President's message was the grandest assurance of wisdom and statesmanship and understanding we have had in a generation. Wise in what he did not say as well as in what he did say. I am afraid somebody just wants to appear smart, regardless of what effect their pronouncements may have on our country and its fortunes. Just to criticize the President.

For the sake of our country, in remembrance of the sacrifices of our soldiers, let us put first things first. Let us stand together. Again, "United we stand; divided we fall." There is no doubt a contribution that each one of us may make to the successful prosecution of the war. Some may make a little; others may make much. It is to be hoped that each one of us will consider his own responsibility and instead of being free with adverse criticisms, endeavor to meet his own responsibility. There is nothing I know of that is of more importance than this. Perfection in no one is expected, but a faithful endeavor to make contribution to our country's cause in these fateful times is surely not too much to hope for.

We do well to seek unity among ourselves at home, and we shall do well to work and hope for unity among those nations who, with us, fight for liberty and freedom. One has said that because of the resistance to German aggression of Poland, France, Great Britain, Russia, the Low Countries, Norway, Yugoslavia, and Greece, the United States was vouchsafed time in which to prepare, and that in fighting for themselves our allies were thus fighting for us, even as we today, with them, are fighting for ourselves and for them. This should make us careful not to divide, but to remain united in the common cause.

"Work, fight, and give to make democracy live" is not a bad slogan for us, but one that each of us may well accept and employ in these days of terrible responsibility.

May we, each one of us, in Congress and out of Congress, realize that our obligations and duties, well considered, are to our country and the peace of the world, seeking, above all things, to estab-

lish good will on earth and peace among men everywhere.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Miss SUMNER] is recognized for 15 minutes.

UNCONDITIONAL SURRENDER

Miss SUMNER of Illinois. What are our war aims? Who knows? About all we are told by the President is that we must not have a negotiated peace and must stop at nothing less than unconditional surrender. Shall we, the American people, continue to remain imprisoned between two such clichés?

What does the term "negotiated peace" mean? If it means a peace dictated by Germany, then nobody in America that I know of favors it. Certainly those of us who resist with all our might dictation by any American President would be the first to start and the last to stop resisting dictation by any alien. If, on the other hand, what the new dealers object to is a peace arrived at through negotiation with the enemy, why the New Deal leader, President Roosevelt himself has repeatedly negotiated peace and truly said that it saved American lives. For example, with Darlan to secure entrance into Africa. Likewise, with Bagdolio to secure the surrender of Italy. The fact seems to be that armies do not surrender without some preliminary negotiation. Then why are we expected to humble ourselves, quaking like savages before these taboos, "negotiated peace" and "unconditional surrender"? Why is it considered a sin to be for a "negotiated peace" or against "unconditional surrender"?

There is in the Congressional Library an objective book by Rudin published by the Yale University Press in 1943, called *Armistice 1918*. Thoroughly documented, it contains enough memoranda of conferences between leaders in both Germany and the United States during the fall of 1918 to be instructive. Though written for quite another purpose, it serves to indicate how the clichés "negotiated peace" and "unconditional surrender" managed to grow into a bete noir.

The German general, Ludendorff, had become convinced that a military victory was impossible. Therefore a German foreign secretary admitted it in the Reichstag. A peace resolution was introduced. A leading German newspaper proclaimed that Germany desired no territorial expansion beyond pre-war boundaries and advocated having combatant countries submit peace terms to some neutral government in order to ascertain whether there might not be some common basis for agreement. Thereafter, the minority opposition party in the Reichstag demanded election and parliamentary reforms on the ground that President Wilson's speeches had warned that government by the people in Germany must be a condition precedent to peace. A German vice chancellor publicly stated that Germany would be agreeable to peace terms based on pre-war boundaries, providing Finland, Po-

land, and the Baltic states should not be delivered back to Russia, but remain independent so as to furnish a bulwark against the spread of Russian bolshevism. Austria and Bulgaria made peace overtures. After an official survey the German Foreign Office reported confidentially that to secure peace from the Allies there must first be a new cabinet with broad, popular representation. That the new cabinet thus formed at the opportune moment should approach President Wilson, rather than any neutral country, suggesting that he call a conference of Allies for the restoration of peace, the opportune moment to be determined by the Army officials. The Kaiser approved the plan.

The new cabinet was duly organized. The information that the Army considered a military victory impossible leaked out, causing a panic in Berlin, the people having been thoroughly confident of victory. A note was sent to President Wilson saying, "the German Government accepts as a basis for negotiation" the terms mentioned in President Wilson's public statements, particularly the one containing the now famous Fourteen Points.

The Allies, though not consulted by the American President, protested the negotiations. A Republican Senator, McCumber, of North Dakota, introduced a resolution saying there must be no cessation of hostilities unless and until Germany should unreservedly surrender. Senator Lodge, of Massachusetts, who was the acknowledged leader of the so-called isolationists, wrote former President Theodore Roosevelt:

I am living in a constant anxiety now of a sudden plunge of the administration for a negotiated peace. At this point if we make an armistice we have lost the war and we shall leave Germany about where she started. I am sure that the American people want a complete victory and an unconditional surrender. They want to win this fight on German soil and every man who comes here who has been fighting on the western front says the soldiers are determined to go into Germany and would resent it bitterly if they were to be held back.

Colonel House, in his diary, said:

I found the President's viewpoint had changed during the night. * * * He did not seem to realize before the nearly unanimous sentiment in this country against anything but unconditional surrender. He did not realize how war-mad our people have become.

But President Wilson bravely sent the German Government a reply inquiring whether it was meant that the terms were accepted so as to leave for discussion only the practical details of their application. He demanded in this note a further condition not previously mentioned in his speeches—that the Central Powers consent to withdraw immediately from invaded territory. His note was denounced by some leading Germans, who declared that it virtually demanded unconditional surrender. While in the United States, on the other hand, it was denounced because it did not demand unconditional surrender. Senator Lodge told the press:

I believe in a dictated not a negotiated peace.

Former President Roosevelt said:

I believe our sole aim should be to win the war and not discuss the peace terms with the enemy until the war has been won.

Senators read into the CONGRESSIONAL RECORD letters from constituents echoing the demand for unconditional surrender. The French and British were also objecting to the negotiations, but on other grounds.

The German Government replied, agreeing to the terms President Wilson had demanded in his note. The German Government voluntarily halted the unpopular submarine warfare although a shocking sinking off the Irish coast almost upset the negotiations. According to Colonel House, President Wilson did not desire a vengeful peace. Nor did he desire to have the Allies ravage Germany as Germany had ravaged other countries, insisting "No stain of this sort should rest upon the Allied arms." Wrote Colonel House:

He is very fine in his feeling and I am sorry he is hampered in any way by the Allies and the vociferous outcry in this country. It is difficult to do the right thing in the right way with people clamoring for the undesirable and impossible.

The New York Times, according to Mr. Rudin, protested the negotiations in an editorial entitled "Ferocity Asks for Peace." Former President Theodore Roosevelt, in a message to the American people in the New York Times demanded that negotiations be stopped, declaring President Wilson should demand unconditional surrender. He concluded, "Let us adopt as our motto unconditional surrender." The New York Times adopted the motto in an editorial, writing, "Surrender, not an armistice, must be the condition precedent to any talk of peace." Senator Lodge introduced a Senate resolution prohibiting further communication with the German Government upon the subject of an armistice or conditions of peace, except a demand for unconditional surrender.

The intrepid President Wilson, nevertheless, sent to Germany a favorable reply, but making the additional demands called by Ludendorff a demand for unconditional surrender, that during the armistice Allied supremacy must be guaranteed and that there must be a discontinuance of various acts of inhumanity. He also made the following further demand which the puzzled Germans finally interpreted as a demand for abdication by their Kaiser:

The destruction of every arbitrary power anywhere that can separately, secretly, and on its single choice disturb the peace of the world; or if it cannot be presently destroyed, at least its reduction to virtual impotency.

This salutary war aim, by the way, though it is probably a sine qua non of durable world peace, was not incorporated by Mr. Churchill and President Roosevelt among their ideals as expressed in the Atlantic Charter, now become a scrap of paper.

The German Government continued to accept every new demand made by President Wilson. The negotiations caused German morale to disintegrate. German sailors, learning that the German Navy secretly planned to "negotiate with

arms" and secure better terms for Germany through a new naval offensive, repudiated, because they did not want to jeopardize the negotiations for peace. Last July, German soldiers, led by high-ranking officers, revolted against Hitler. But we, unlike the Russians, failed to cooperate with these anti-Hitlerites, and instead, held out for the meaningless unconditional surrender and thus helped Hitler revivify his leadership.

Looking back at our experience in World War No. 1, who can believe that fighting bloodily and blindly on until unconditional surrender would have secured better peace terms than were achieved by President Wilson? Certainly, through his negotiated peace, he secured from the Germans every concession he asked. The important thing that nobody seems to understand is that when you obtain everything you demand, you have dictated the peace whether or not it is negotiated. Why then does our President in this war condemn negotiated peace and insist upon nothing less than unconditional surrender? According to the press, it was President Roosevelt who insisted at Casablanca that Mr. Churchill agree that the peace terms should be unconditional surrender. But why? Why?

Of course, it is not because Theodore Roosevelt's motto has become a family motto—that would be facetious. Surely it is not because the American people today are hampering and making it difficult to do the right thing in the right way by demanding the undesirable and impossible, because they are not. Newspapers and columnists have flayed and ridiculed the unconditional-surrender policy. Today the American people are not war mad. I doubt if they ever were. Neither are our soldiers. It is well known that the unconditional-surrender policy encourages increasing and continuing resistance. In World War No. 1 members of the German Government were completely agreed that if negotiations failed they would fight on and never surrender.

Why, then, does our President insist upon the unconditional-surrender policy advocated in World War No. 1 by so-called isolationists? The President knows that every single leader of the so-called isolationists of today hates the unconditional-surrender policy since experience and common sense demonstrate that it costs American lives unnecessarily.

The unconditional surrender policy is an anachronism. What reason can there be for it? If it is because the President does not know what terms he wants to impose upon Germany, then multitudes of American soldiers may die needlessly because the President has not made up his mind what our soldiers are fighting for.

Recently we saw German resistance stiffen because of the revelation of the Morgenthau plan. But the American people have not been told that the reason was because it seemed to confirm the devilish Nazi dogma which says that unconditional surrender means the shattering of Germany into Communistic revolutionary chaos with middle-class people being killed or carried off into

Russian slavery. Germans are seeing neighboring countries liberated only to fall into the hands of Stalin through internal revolution. They know that Stalin's army killed or carried into slavery worse than death, great numbers of anti-Nazi Poles and Lithuanians. They know that they, the German people themselves—the hated enemy—need expect a fate no better and probably worse.

If Mr. Churchill and President Roosevelt intend to impose upon the German people a fate less harsh than chaos, death, and slavery worse than death, they owe it to our gallant fighting men to spare our servicemen needless suffering by saying so plainly, unequivocally, and reliably. Can they? Unfortunately, President Roosevelt and Mr. Churchill, to say nothing of Stalin, have not kept to the high moral level of trustworthiness as did Woodrow Wilson. Their evasive dealings with Polish and Yugoslavian agreements and the Atlantic Charter have greatly discredited them. Therefore, the task is perhaps the most difficult, though, perhaps, also the most important they have yet undertaken.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

EFFECTIVE USE OF MANPOWER—INDUCTION OF QUALIFIED IV-F DRAFTES FOR LIMITED SERVICE

Mr. REES of Kansas. Mr. Speaker, I have today introduced a bill to amend the Selective Training and Service Act of 1940. It provides in substance that all male citizens classified in the category of IV-F under examinations given for the purpose of inducting men into the armed forces and not engaged in essential war activity be reexamined with a view of giving such men who are physically and mentally capable of doing so the opportunity to perform noncombatant or limited duties and activities that are now being performed by members of the armed forces.

During the past 2 years the attention of this body, and in fact the attention of the entire Nation, has been directed to the tremendous waste of one of our most precious but seemingly unlimited resources—manpower. I have always considered the waste of manpower a disgrace to this country. I realize a certain amount of it cannot be helped, but of all places it ought to be at a minimum in the armed forces and on the civilian pay rolls of the Federal Government.

Our newspapers and the CONGRESSIONAL RECORDS are replete with findings of the House Civil Service Committee, upon which I have the honor of being a member, also the Byrd committee, the Military Affairs Committee, and the Appropriations Committees of both Houses of Congress, the War Investigating Committee, not to mention the findings of individual Members of Congress, all pointing to the waste of funds and manpower in Government activities. Much of it is due to duplication, multiplication, and unnecessary activities, lack of organization, especially by our

civilian departments of government. And yet with all of this waste of manpower, the selective service has found it necessary to draft workers from the farms of the Nation and from the war plants in order to meet draft quotas.

Now we find a demand for national-service legislation to serve manpower problems of the Nation. Before taking such drastic action it seems to me that we should first give consideration to the hundreds of thousands of men in the IV-F category engaged in nonessential activities who, through no fault of their own, have been prevented from becoming members of the armed forces and who could and are willing to render such service if given a chance to do so. Last week the President of the United States made the following statement:

Pending action by the Congress of the broader aspects of national service, I recommend that the Congress immediately enact legislation which will be effective in using the services of the 4,000,000 men now classified as IV-F in whatever capacity is best for the war effort.

It seems to me the suggestions that have been offered with respect to the IV-F group is contrary to American principles of fair play and common decency. Under the legislation I have submitted, I am proposing the induction of IV-F's who are not now engaged in essential war activities. I do not believe that they should be inducted in enforced labor battalions without the rights, privileges, and benefits accruing to other members of the armed forces whether they see military action or not. I do not believe that such method is the way to solve the manpower problem in an American way, especially as it affects this particular group of American citizens.

Mr. Speaker, I have never believed that service in our great Army or Navy ought to be used as a club over any citizen in the United States. It has always been considered an honor and a privilege to be a member of the armed forces of the United States. I resent the idea that any citizen, whether his body be less physically perfect than his brother's or not, should be subjected to the humiliation of being discriminated against in the manner that has been suggested from certain sources. I say, let their services be utilized in the armed forces just as far as may be done.

Mr. Speaker, there are very few men in the IV-F category who have been rejected because they desired it. Many of the Members of this House have received correspondence asking how men on the borderline may get into the military service. There are many others who have been commissioned as officers in the Army and Navy who might today be in the category of IV-F except they are not used in combat service.

Mr. Speaker, the IV-F group have no lobby or organization to express their views as to what should be done with about 4,000,000 men of draft age. Of course, they should be doing war work, and a lot of them are in war work at the present time. But those capable of performing duties now performed by members of the armed forces ought to have a chance to do it.

Mr. Speaker, recognizing the waste of manpower in the departments of our Government, and further recognizing there are hundreds of thousands of non-combatant activities that are being performed by the military and naval personnel of the armed forces, such as clerks, accountants, lawyers, chemists, public relations men, investigators, auditors, personnel, teachers, waiters, chauffeurs, mechanics, clean-up men, and so forth, who have been inducted in the general military service; I have introduced an amendment to the Selective Service Act of 1940 to completely utilize as far as can be done all of the IV-F's not now engaged in essential war activities and place them in noncombatant activities which can easily be performed by them without denying them the rights, privileges, and benefits accruing to other military personnel.

This amendment definitely provides that no claim can be made by reason of any physical deficiency that such person might have when he joins the service. The Government is definitely protected against any additional burden because such inductee might not be as physically fit as those qualified as combat troops.

Mr. Speaker, before we proceed to draft essential men from the farms or from war plants of this country and before starting to organize labor battalions, we ought to give these men a chance to serve in the armed forces where they are qualified to do so. It is estimated on good authority that at least 1,000,000 of these men in the IV-F classification can be utilized in the performance of duties that are now being performed by members of our armed forces who have passed the regular physical requirements.

Furthermore, Mr. Speaker, I think that before taking drastic action with respect to this particular group, it would be well to utilize the services of thousands of civilian employees who are performing services that are not absolutely essential in the war effort. There are such services as also many thousands of others who are not needed because of duplication and multiplication of effort.

Mr. Speaker, it is my proposal that only those who are physically qualified to do so may be used to perform services in the armed forces, and that thereby no additional burden be placed on the Government by reason of their induction, anymore than from other members of the armed forces. The Government can be amply protected in this respect. There is no reason, in my judgment, why the services of a million men, if needed, cannot be used in our armed forces, and at the same time prevent the discrimination against men who can perform such services and are anxious to do so. Putting them into labor battalions is not the American way of handling the problem.

I urge, Mr. Speaker, that the Committee on Military Affairs give immediate consideration to the proposal I have submitted.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Ohio.

Mr. SMITH of Ohio. What about the million or more persons on the Federal pay roll whose services might be dispensed with and placed in essential war work? That is a serious problem. If we are going to draft labor and not touch this other problem, it seems to me we are failing in our duty.

Mr. REES of Kansas. I appreciate the gentleman's statement. I have always maintained on the floor of the House and in the Civil Service Committee, of which I am a member, that our own Government is one of the biggest wasters of manpower. We understand that in order to carry on the many functions and to perform the many duties a tremendous number of workers is required. But even at that, we are employing more people than necessary because many activities are being carried on that are not absolutely necessary at this crucial time. The Government is doing things that are not necessary at the present time under war conditions; furthermore, we have much duplication, and, as I said a moment ago, multiplication in the performance of Government duties that we are wasting manpower and using more than is necessary. This should not be permitted. The Government should be the first one to set the pace in the saving and utilization of manpower.

The SPEAKER. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman may have an additional minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that in connection with the drafting of nurses the Veterans' Administration must be amply protected. The nurses must not be taken from the Veterans' Administration and put into the Army or Navy. It would be very tragic to take nurses from the Veterans' Administration that has the care of the men when they come there. There are enough nurses to go around, and certainly the Veterans' Administration should be included in any draft legislation.

Mr. REES of Kansas. The gentlewoman from Massachusetts [Mrs. ROGERS] has given careful study to this question, as she does to all matters for the protection of the service men and women of this country. She knows the problem and her views on that particular question would command the highest respect of the membership of the House.

Mrs. ROGERS of Massachusetts. I am perfecting an amendment to cover the situation.

The SPEAKER. The time of the gentleman has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my remarks,

and to include as a part of my remarks an article from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. O'HARA addressed the House. His remarks appear in the Appendix.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. CHASE GOING WOODHOUSE, from January 10 to January 15, 1945, on account of business in probate court.

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article entitled "E Pluribus Unum," a trade-barrier discussion by R. J. Goode, for which I have an estimate from the Government Printer of \$130. I ask that this article may be included notwithstanding the estimate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article and also a letter I received.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, may I ask if it is contemplated allowing Members of the Congress to question General of the Army Marshall and Admiral of the Fleet King, when they come before the Congress? I would like very much to ask questions concerning the transportation of supplies.

The SPEAKER. The Chair, speaking as an individual, would think that the first time General Marshall and Admiral King come before the Congress it might be better if we allowed them to go along without interruption and decide that question later.

Mrs. ROGERS of Massachusetts. I think it would be extremely helpful if we could ask questions that I am sure the whole country is interested in.

I have a lot of faith in my colleagues, Mr. Speaker.

ADJOURNMENT

Mr. GALLAGHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 44 minutes p. m.)

the House adjourned until tomorrow, Wednesday, January 10, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

97. A letter from the Chairman, Reconstruction Finance Corporation, transmitting a copy of the estimate of the number of employees required for the proper and efficient exercise of the functions of the Reconstruction Finance Corporation and its subsidiaries for the quarter ending April 1, 1945; to the Committee on the Civil Service.

98. A letter from the Administrator of the National Housing Agency, transmitting a draft of a bill to relieve the housing manager of three Federal Public Housing Authority projects of financial responsibility for the loss of public funds and to authorize and direct the Comptroller General of the United States to credit in the account of said housing manager, the sum of \$4,762.97, for which he is accountable; to the Committee on Claims.

99. A letter from the Chairman of the Interstate Commerce Commission, transmitting the fifty-eighth annual report of the Interstate Commerce Commission to Congress; to the Committee on Interstate and Foreign Commerce.

100. A letter from the Chairman of the Interstate Commerce Commission, transmitting, in compliance with the provisions of section 19a of the Interstate Commerce Act, copies of final valuations of properties of certain carriers subject to the act; to the Committee on Interstate and Foreign Commerce.

101. A letter from the Director of the Administrative Office of the United States Courts, transmitting a copy of the detailed statement of expenditures of appropriations for the United States Court of Customs and Patent Appeals for the fiscal year ended June 30, 1944; to the Committee on Expenditures in the Executive Departments.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 1271. A bill to amend section 7 of the act approved December 31, 1941, entitled "An act to establish a military code for the Territory of Alaska"; to the Committee on Military Affairs.

By Mr. BRYSON:

H. R. 1272. A bill to require the establishment of a classification of freight and a scale of class rates, for application to transportation of property by railroad, so adjusted as not to discriminate among regions or territories in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. KILDAY:

H. R. 1273. A bill to provide for the establishment and maintenance of a national cemetery in every State; to the Committee on Military Affairs.

H. R. 1274. A bill to extend veteran-preference benefits with respect to employment by the United States to certain persons, and their wives or widows, who served in the Texas National Guard during the World War; to the Committee on the Civil Service.

By Mr. LANHAM:

H. R. 1275 (by request). A bill to authorize construction of a film-servicing building and vaults; to the Committee on Public Buildings and Grounds.

By Mr. LARCADE:

H. R. 1276. A bill to establish an Army Agricultural Corps for service in the Army

of the United States; to the Committee on Military Affairs.

By Mr. MUNDT:

H. R. 1277. A bill to amend the National Service Life Insurance Act of 1940 so as to provide for the notification of insured individuals and beneficiaries of the right to elect a certain mode of payment of insurance benefits, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. PATRICK:

H. R. 1278. A bill to provide for rural telephones, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SHEPPARD:

H. R. 1279. A bill to provide for the expatriation of certain nationals of the United States; to the Committee on Immigration and Naturalization.

By Mr. REES of Kansas:

H. R. 1280. A bill to provide a program for the release for combat duty of members of the armed forces qualified for such duty who are now performing limited duty and their replacement by men who are not qualified for combat duty but who are qualified for limited duty; to the Committee on Military Affairs.

By Mr. STIGLER:

H. R. 1281. A bill to authorize the coinage of 50-cent pieces in commemoration of the memory of Will Rogers; to the Committee on Coinage, Weights, and Measures.

By Mr. BRADLEY of Pennsylvania:

H. R. 1282. A bill to extend veterans' preference under the civil-service laws and rules; to the Committee on the Civil Service.

H. R. 1283. A bill relating to the traveling expenses of members of the armed forces transferred from one hospital to another at their own request; to the Committee on Military Affairs.

By Mr. MAY:

H. R. 1284. A bill to insure adequate medical care for the armed forces; to the Committee on Military Affairs.

H. R. 1285. A bill to authorize the Secretary of War to grant to the Duke Power Co. a 180-foot perpetual easement across Camp Croft, in the State of South Carolina; to the Committee on Military Affairs.

By Mr. PETERSON of Florida:

H. R. 1286. A bill to amend the act entitled "An act granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, and for other purposes," approved May 24, 1938; to the Committee on Pensions.

H. R. 1287. A bill to provide that a veteran's compensation, pension, or retirement pay shall not be reduced during his hospitalization or domiciliary care; to the Committee on World War Veterans' Legislation.

H. R. 1288. A bill to amend the Canal Zone Code with respect to the taxation of retirement annuities paid to certain retired employees of the Panama Canal and the Panama Railroad Company; to the Committee on the Merchant Marine and Fisheries.

H. R. 1289. A bill to amend section 4, Public Law No. 198, Seventy-sixth Congress, to authorize certain hospitalization of retired officers and enlisted men of the armed forces who are peacetime veterans; to the Committee on World War Veterans' Legislation.

H. R. 1290. A bill to amend section 3475 (b) of the Internal Revenue Code, relating to the tax on the transportation of property; to the Committee on Ways and Means.

H. R. 1291. A bill to provide for increasing or decreasing the compensation or pension payments, payable to veterans of all wars, campaigns, and expeditions, or of peacetime service, and to their dependents, under laws administered by the Veterans' Administration, by 10 percent for every 10 percent increase or decrease in the cost of living above the basic cost of living during the first 6 months of 1940, as computed each 6 months, provided that such compensation

and pension payments shall not be reduced below the basic amounts provided for under such laws, and for other purposes; to the Committee on World War Veterans' Legislation.

H. R. 1292. A bill providing for payments to the State of Wyoming and for rights-of-way, including stock driveways, over and across Federal lands within the exterior boundary of the Jackson Hole National Monument, Wyoming, and for other purposes; to the Committee on the Public Lands.

H. R. 1293. A bill to so amend the World War Veterans' Act, 1924, as amended, as to eliminate all statutes of limitations on automatic, yearly renewable term, or United States Government life (converted) insurance policies; to the Committee on World War Veterans' Legislation.

H. R. 1294. A bill to provide that the pension, compensation, or retirement pay of veterans of the War with Spain shall not be reduced during hospitalization or receipt of institutional or domiciliary care; to the Committee on Pensions.

H. R. 1295. A bill providing for the payment of mileage for certain employees of the Bureau of Internal Revenue when traveling on official business; to the Committee on Ways and Means.

By Mr. RAMSPECK:

H. R. 1296. A bill to authorize the appropriation of funds to assist the States and Territories in more adequately financing their systems of public education during emergency, and in reducing the inequalities of educational opportunities through public elementary and secondary schools; to the Committee on Education.

By Mr. RANKIN:

H. R. 1297 (by request). A bill to authorize the Administrator of Veterans' Affairs to furnish certain benefits, services, and supplies to discharged members of the military or naval forces of any nation allied or associated with the United States in World War No. 2, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. MERROW:

H. Con. Res. 16. Concurrent resolution that it is the sense of the Congress that the President accurately stated the principles in the national policy of the United States in the joint declaration of the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland dated August 14, 1941, known as the Atlantic Charter; to the Committee on Foreign Affairs.

By Mr. CUNNINGHAM:

H. Con. Res. 17. Concurrent resolution to establish a joint committee to investigate Federal Government competition with private business; to the Committee on Rules.

By Mr. PATRICK:

H. Res. 68. Resolution to investigate the housing shortage in the District of Columbia; to the Committee on Rules.

By Mr. EDWIN ARTHUR HALL:

H. Res. 69. Resolution to prevent violation of Selective Service Act in respect to drafting persons engaged in agriculture; to the Committee on Rules.

By Mr. CANNON of Missouri:

H. Res. 70. Resolution providing an allocation from the contingent fund of the House to the Committee on Appropriations for expenses of studies and examinations under House Resolution 50; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER:

Memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States in the form of a resolution in recognition, appreciation, and gratitude to His Excellency

Charles Harwood, Governor of the Virgin Islands of the United States, for his firm effort and persistence in securing for the Virgin Islands a Federal Public Works authorization for an appropriation of \$10,000,000; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADLEY of Pennsylvania:

H. R. 1298. A bill for the relief of Benjamin Franklin; to the Committee on Naval Affairs.

H. R. 1299. A bill for the relief of Morris Fine; to the Committee on Claims.

By Mr. CHELF:

H. R. 1300. A bill for the relief of the estate of Mathew C. Cowley, deceased, and the estate of Louisa Cowley, deceased; to the Committee on Claims.

By Mr. FELLOWS:

H. R. 1301. A bill for the relief of Madeline Winter; to the Committee on Claims.

H. R. 1302. A bill for the relief of Ethel Newton; to the Committee on Claims.

H. R. 1303. A bill for the relief of Daniel D. O'Connell and Almon B. Stewart; to the Committee on Claims.

By Mr. FISHER:

H. R. 1304. A bill for the relief of Mrs. Nettie Peters; to the Committee on Claims.

H. R. 1305. A bill for the relief of Thomas H. Oliver; to the Committee on Claims.

By Mr. GAMBLE:

H. R. 1306. A bill for the relief of Lt. Col. Orville E. McKim; to the Committee on Claims.

By Mr. HOBBS:

H. R. 1307. A bill for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc.; to the Committee on Claims.

By Mr. KEE:

H. R. 1308. A bill for the relief of Sam Swan and Ally Swan; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 1309. A bill to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the Naval Air Station, Norfolk, Va., on September 17, 1943; to the Committee on Claims.

H. R. 1310. A bill for the relief of Mrs. Mary Emily Hamilton and Mrs. Kay Graziano; to the Committee on Claims.

By Mr. O'BRIEN of Illinois:

H. R. 1311. A bill for the relief of Rosa Natalia Christopher; to the Committee on Immigration and Naturalization.

H. R. 1312. A bill for the relief of John Carroll; to the Committee on Military Affairs.

H. R. 1313. A bill for the relief of Lester B. McAllister and others; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 1314. A bill with reference to certain loans made under the Agricultural Marketing Act of 1929 and to grant certain relief to Florida Citrus Exchange, the Growers Loan & Guaranty Co., and the Guaranty Operating Co.; to the Committee on Agriculture.

H. R. 1315. A bill for the relief of B. Penedino; to the Committee on Claims.

H. R. 1316. A bill for the relief of the legal guardian of Mattie Lee Brown; to the Committee on Claims.

H. R. 1317. A bill for the relief of the estate of John Crawford Marston; to the Committee on Claims.

H. R. 1318. A bill for the relief of the estate of Eugene Edwin Field; to the Committee on Claims.

H. R. 1319. A bill for the relief of Claybron Holcomb; to the Committee on Claims.

H. R. 1320. A bill for the relief of M. Elizabeth Quay; to the Committee on Claims.

H. R. 1321. A bill for the relief of W. P. Richardson, as successor and assignee of W.

P. Richardson & Co., of Tampa, Fla., a partnership composed of W. P. Richardson, George W. Hessler, and L. O. Park, by reason of certain claims arising within the World War period; to the Committee on War Claims.

H. R. 1322. A bill for the relief of the Marine Engine Works & Shipbuilding Corporation, of Tarpon Springs, Fla.; to the Committee on Claims.

H. R. 1323. A bill for the relief of Mark D. Williams; to the Committee on Claims.

H. R. 1324. A bill for the relief of Leo Edward Day and Phillip Tamborello; to the Committee on Claims.

By Mr. PFEIFER:

H. R. 1325. A bill for the relief of Hyman L. Schiffer; to the Committee on Claims.

By Mr. SHEPPARD:

H. R. 1326. A bill for the relief of J. Dale Gentry; to the Committee on Claims.

H. R. 1327. A bill for the relief of William Henry Bergmann; to the Committee on Naval Affairs.

By Mr. TOWE:

H. R. 1328. A bill for the relief of Mrs. Cecilia M. Tonner; to the Committee on Claims.

H. R. 1329. A bill for the relief of William W. Adams, Inc.; to the Committee on Claims.

H. R. 1330. A bill for the relief of the county of Bergen, N. J.; to the Committee on Claims.

H. R. 1331. A bill for the relief of the Hatheway Patterson Corporation; to the Committee on Claims.

H. R. 1332. A bill for the relief of Jeannette D. Christie; to the Committee on Claims.

H. R. 1333. A bill for the relief of J. P. Haring; to the Committee on Claims.

SENATE

WEDNESDAY, JANUARY 10, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou whose approval we seek above the hollow applause of men, we pause in the midst of thronging duties and confused issues that Thou might lift upon us the light of Thy countenance. We pray for Thy mercy and Thy cleansing pardon, that a right spirit may be renewed within us, and that we may yearn for spiritual integrity above all the tinsel of material things. Deliver us from the selfishness which shrinks the soul, from the hatred which eats like a canker, from the impurity which blinds eyes to Thee and the Godlike, and from the unbelief which dims the splendor of the glory life may hold.

Save us from the distorted vision which magnifies the mote in our neighbor's eye and ignores the beam in our own and so condemns in others that which we condone in ourselves. May the shining crown for which we strive and for which we gladly give our all be not fame nor riches nor unbridled power, but humility and compassion and unselfish love. So may we come, ascending this hill of solemn responsibility and standing in this holy place of public trust, with clean hands and pure hearts, not lifting up our soul to vanity nor swearing deceitfully. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Saturday,

January 6, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

ADMINISTRATION OF OATH

Mr. WALSH. Mr. President, the Senator-elect from Massachusetts, Gov. LEVERETT SALTONSTALL, is present and prepared to take the oath of office. I request that he be permitted to do so.

Mr. ELLENDER. Mr. President, I announce that my colleague, Hon. JOHN H. OVERTON, reelected to the Senate last November, is present and ready to take the oath.

The VICE PRESIDENT. If the Senators-elect from Massachusetts and Louisiana will present themselves at the desk, the oath will be administered to them.

Mr. SALTONSTALL, escorted by Mr. WALSH, and Mr. OVERTON, escorted by Mr. ELLENDER, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

RESIGNATION FROM A JOINT COMMITTEE

Mr. LA FOLLETTE. Mr. President, I ask to be relieved from further service on the Joint Committee on Reduction of Nonessential Federal Expenditures. I regret to make this request, and in making it I am fully aware of the importance of the work of the committee; but in view of other committee assignments which I have, and in the light of anticipated additional committee work in conjunction with the Joint Committee on the Organization of the Congress, I am regretfully making this request.

THE MANPOWER AND LABOR SITUATION

Mr. TRUMAN. Mr. President, I have a very interesting letter from the vice president and general manager of the Beech Aircraft Corporation, at Wichita, Kans., which has to do with manpower and labor. I should like permission to have the clerk read the letter to the Senate, if I may. I ask unanimous consent that that may be done.

The VICE PRESIDENT. Without objection, the clerk will read the letter to the Senate.

The Chief Clerk read as follows:

BEECH AIRCRAFT CORPORATION,
Wichita, Kans., January 2, 1945.
The Honorable HARRY S. TRUMAN,
Vice President-elect of the United States,
Washington, D. C.

DEAR MR. TRUMAN: We again see discussions in the public print about war manpower mobilization by directive or executive decrees, or even by possible congressional action. Because there seems to be a school of thought in certain circles in Washington which contends that war production would be benefited by forced recruitment of war workers, we wish to respectfully submit our opinions based upon practical experience.

During the months of October and the early part of November, we experienced great difficulty in retaining our working force at a constant level. Terminations increased far beyond previous levels, and an analysis of these terminations indicated that many of them were for the purpose of taking post-war jobs. We consider that this was an entirely natural development which was caused directly by the over-optimistic statements